BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Petition of) DOCKET NO. 2014-036	b
PSP III, LLC, INVESTRICITY LTD., and WEST WIND WORKS LLC, for a declaratory order requiring further consideration of the Oahu Renewal Energy Park in response to Invitation for Low Cost Renewable Energy Projects on Oahu Through Request for Waiver from Competitive Bidding.	PUBLIC UTILI COMMISSI	
)	

PSP III, LLC, INVESTRICITY LTD. and WEST WIND WORKS LLC'S PETITION FOR DECLARATORY ORDER

EXHIBITS 1-12

VERIFICATION

AND

CERTIFICATE OF SERVICE

McCORRISTON MILLER MUKAI MacKINNON LLP WILLIAM C. McCORRISTON JESSE J.T. SMITH Five Waterfront Plaza, 4th Floor 500 Ala Moana Boulevard Honolulu, Hawaii 96813 Telephone: (808) 529-7300

Attorneys for PSP III, LLC, INVESTRICITY LTD., and WEST WIND WORKS, LLC

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TO THE HONORABLE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII:

PSP III, LLC, INVESTRICITY LTD, and WEST WIND WORKS LLC, (collectively, "Petitioners") respectfully request that the Public Utilities Commission of the State of Hawaii (the "Commission") issue a declaratory order that Hawaiian Electric Company's ("HECO") exclusion of Petitioners' proposal for the Oahu Renewable Energy Park which was submitted to HECO in response to HECO's 2013 Invitation for Low Cost Renewable Energy Projects on Oahu Through Request for Waiver from Competitive Bidding for projects of more than 5 megawatts of renewable energy for Oahu, was erroneous and improper, and requiring that HECO consider in good faith the submission of a request to the Commission for a waiver of the Oahu Renewable Energy Park from the Framework for Competitive Bidding dated December 8, 2006

("<u>CB Framework</u>") in Decision and Order No. 23121, filed on December 11, 2006, in Docket No. 03-0372.¹

I.

This Petition is filed pursuant to: (1) the Rules of Practice and Procedure before the State of Hawaii Public Utilities Commission, Title 6, Chapter 61, of the Hawaii Administrative Rules ("HAR"), Subchapters 2, 6, 11 and 16;² and (2) Hawaii Revised Statutes ("HRS") § 91-8.³

II.

Petitioner PSP III, LLC ("<u>PSP III</u>"), whose office is located at c/o McCorriston Miller Mukai MacKinnon LLP, Five Waterfront Plaza, 4th Floor, 500 Ala Moana Boulevard, Honolulu, Hawaii 96813, is a domestic limited liability company duly organized under the laws of Hawaii, and is engaged in renewable energy project development in the State of Hawaii

Petitioner INVESTRICITY, LTD. ("Investricity"), whose office is located at Upper Minety, Malmesbury, Wiltshire, England, is a company organized under the laws of England and Wales, and is engaged in renewable energy project development in the State of Hawaii.

Petitioner WEST WIND WORKS, LLC ("West Wind"), whose office is located at 67-287 Kahaone Loop, Waialua, Hawaii 96791, is a domestic limited liability company duly

Petitioners have redacted information in Exhibits "1" – "12" attached hereto that they deem to be proprietary and/or confidential. Petitioners intend to resubmit clean copies of Exhibits "1" – "12" under seal once an appropriate protective order in in place.

² HAR § 6-61-159 provides: "[o]n the petition of an interested person, the commission may issue a declaratory order as to the applicability of any statute or any rule or order of the commission."

HAR § 6-61-160 provides that "[t]he [C]ommission may, on its own motion or upon request and without notice or hearing, issue a declaratory order to terminate a controversy or to remove uncertainty."

³ HRS §91-8 states:

Any interested person may petition an agency for a declaratory order as to the applicability of any statutory provision or of any rule or order of the agency. Each agency shall adopt rules prescribing the form of the petitions and the procedure for their submission, consideration, and prompt disposition. Orders disposing of petitions in such cases shall have the same status as other agency orders.

organized under the laws of the State of Hawaii, and is engaged in renewable energy project development in the State of Hawaii.

III.

Correspondence and communications regarding the Petition should be addressed to:

PSP III, LLC, Investricity Ltd, and West Wind Works LLC c/o McCorriston Miller Mukai MacKinnon LLP William C. McCorriston, Esq. Five Waterfront Plaza, 4th Floor 500 Ala Moana Boulevard Honolulu, Hawaii 96813 Telephone No. 808-529-7300

IV.

Petitioners' interest in the subject matter of this Petition and the reasons for submission of this Petition are as follows:

- 1. On February 22, 2013, HECO issued its Invitation for Low Cost Renewable Energy Projects on Oahu Through Request for Waiver from Competitive Bidding, as amended on April 30, 2013 ("2013 Invitation for Waivered Projects"). HECO's 2013 Invitation for Waivered Projects sought proposed projects on the island of Oahu and with a nameplate capacity greater than five megawatts from a new renewable source that qualifies under the 2020 Hawaii Renewable Portfolio Standards (RPS). See generally Decision and Order 31913, filed on February 14, 2013, in Docket No. 2013-0156.
- 2. The projects solicited under the 2013 Invitation for Waivered Projects would provide power under a Power Purchase Agreement ("PPA") with HECO with a term of 20 to 25 years.
- 3. The 2013 Invitation for Waivered Projects provided that applicants must provide proof of site control for the 20- to 25-year duration of a PPA.

- 4. The 2013 Invitation for Waivered Projects provided that proposals were due on March 22, 2013.
- 5. On March 22, 2013, PSP LLC, of which Petitioner Investricity was the managing member, submitted a proposal including a 29.5 MW renewal energy project (the "Oahu Renewable Energy Park") to be located at former Ewa Feed Lot in Kapolei, Oahu, Hawaii ("Project Site"). See Exhibit 1.
 - 6. The Project Site is owned by the State of Hawai'i ("State").
- 7. Petitioner West Wind and the State, acting through the Department of Land and Natural Resources, entered into a Development Agreement effective as of November 24, 2010 ("Development Agreement"), pursuant to which the State agreed to issue a lease with a term not to exceed 65 years to Petitioner West Wind for the Project Site upon the satisfaction of certain conditions, for the development of the Oahu Renewal Energy Park.
- 8. Petitioner West Wind and PSP LLC had entered into a binding agreement, which was memorialized by an agreement dated March 13, 2013, for the development of the Oahu Renewable Energy Park, a copy of which was provided to HECO as part of "Appendix G" to PSP LLC's proposal to HECO. See Exhibit 2.
- 9. The binding agreement between Petitioner West Wind and PSP LLC was based upon the decision by the State of Hawaii Board of Land and Natural Resources ("BLNR"), at its meeting on March 8, 2013, to allow a subdivision of or assignment of at least sufficient area (93.11 acres) as required for the construction of a 29.5 MWp PV park. See Exhibit 12 (minutes of BLNR meeting on March 8, 2013). The subsequent publication of the BLNR's minutes of its March 8, 2013, meeting confirmed the basis of the agreement between Petitioner West Wind and PSP LLC.

- 10. On March 27, 2013, HECO notified PSP LLC by electronic mail message that PSP LLC's proposal had been rejected, on grounds that its target Levelized Cost of Electricity (LCOE) was outside the target identified by HECO. See Exhibit 3.
- 11. HECO subsequently offered a Refresh Opportunity on June 17, 2013. See Exhibit 4; see generally Decision and Order No. 32241, filed on August 4, 2014, in Docket No. 2013-0381.
- 12. PSP II LLC, of which Petitioner Investricity was the managing member, submitted an application for the Oahu Renewable Energy Park under HECO's Refresh Opportunity on June 30, 2013, and following a request for clarification of assignment of rights HECO on July 8, 2013, PSP II LLC, submitted a proposal for the Oahu Renewable Energy park, for a 29.5 MWp solar park for in excess of 45 GWh per annum of electricity produced by the project for a price of \$150 / MWh. See Exhibits 5, 6, 7, 8 and 9.
- 13. HECO accepted the pricing refresh application from PSP II, but after initial consideration on August 8, 2013, HECO advised Mr. Lynch of Petitioner Investricity that HECO had disqualified PSP II LLC's application for the Oahu Renewable Energy Park to participate in the Refresh Opportunity based on its reason that PSP II LLC purportedly did not have site control. See Exhibit 10.
- 14. Thereafter representatives of PSP II LLC, Petitioner Investricity and Petitioner West Wind met with HECO at HECO's offices, regarding HECO's disqualification of the Oahu Renewable Energy Park from the Refresh Opportunity on October 17, 2013, explaining in detail that in their view that PSP II had had full site control at the time of the pricing refresh and was intent on transferring that site control directly to PSP II LLC (later renamed PSP III LLC for clarification of member roles).

- 15. By electronic-mail message dated November 5, 2013, HECO advised Petitioner Investricity and Petitioner West Wind that HECO was reaffirming its disqualification of the Oahu Renewable Energy Park from the opportunity to participate in the Refresh Opportunity on the grounds that:
 - 1. All projects in the refresh proposal had to maintain the original size and scope proposed and could not increase, reduce, or change the size or nature of the project. The revised proposal received by your group was reduced in size and scope.
 - 2. The project did not have site control. See attached meeting minutes. Projects proposed in the refresh waiver should not be used to justify site control. The project should have had site control from the onset of the proposal.
 - 3. The entity that held the lease for the site was not listed as a partner in your organization.

See Exhibit 11 and Exhibit 12 (minutes referred to in paragraph 2 of Exhibit 11).

- 16. HECO's disqualification of the proposal for the Oahu Renewable Energy Park based on the proffered reason that site control was lacking, and in particular the fact that HECO specifically referenced the Board of Land Natural Resources minutes at which the assignment and modification of the Development Agreement was approved, were a mistake in fact, and clearly erroneous. *See* Exhibit 12.
- 17. The Board of Land and Natural Resources has approved the assignment of the Development Agreement by Petitioner West Wind to Petitioner PSP III, and has agreed to certain amendments thereto, including the cure of outstanding liabilities under the Development Agreement by Petitioner PSP III. This Development Agreement is now in force, and is a direct assignment of the Development Agreement between the State and Petitioner West Wind for the Project Site.

- 18. After subsequent discussion between HECO and Petitioner West Wind and Petitioner PSP III, at HECO's office on May 16, 2014, HECO and Petitioner PSP III, exchanged their respective thoughts on the site control issue, and subsequently in a telephone conversation, between Petitioner PSP III and HECO on June 12, 2014, HECO suggested that the Power Supply Improvement Program report by HECO, to be issued in August 2014, would be a good point of departure for further discussions on the Oahu Renewable Energy Park at Ewa, as the Project Site's attractiveness for grid connection might be an important consideration.
- 19. A final set of discussions between Petitioner PSP III and HECO occurred on October 23, 2014, and December 9, 2014, during which the potential for the Project Site was further discussed as either a pure "as-available PV park" or as a facility with potentially some energy storage added as an additional element.
- 20. During these final discussions, Petitioner PSP III and HECO discussed the fact that conformity to HECO's Power Supply Improvement Plan ("PSIP") submitted on August 26, 2014, in Docket No. 2011-0206, requires that HECO have photovoltaic parks ready to dispatch power by the end of 2016. Petitioner PSP III also expressed the view that it still felt that the decision to eliminate the site from the waiver program was incorrect. HECO and Petitioner PSP III agreed that a request to the Commission to rule on propriety of the initial disqualification from the 2013 Invitation for Waivered Projects based upon an alleged lack of site control was consistent with the process for obtaining a waiver from the CB Framework.
- 21. If, upon consideration of this Petition, the Commission is willing to consider the Project Site, and reverse the exclusion from the 2013 Invitation for Waivered Projects, the Oahu Renewable Energy Park, now with up to 40 MWp (or 65GWh) per year of capacity, could be commissioned by the end of 2016.

- 22. The addition of such solar power generating capacity from the Oahu Regional Energy Park would help implement HECO's PSIP, which calls for the addition "large amounts of new utility-scale solar." *See* PSIP at ES-5, Figure ES4.
- 23. The added solar energy generating capacity is especially helpful in meeting the PSIP's proposed energy mix given the Commission's Decision and Order No. 32437, in Docket No. 2013-0360, which denied HECO's request for a waiver from the CB Framework for the proposed 15 Megawatt Kahe Utility-Scale Photovoltaic Generating System, and the cancellation of the Hunt and Gen-X solar power projects that were among those approved for waivers from the CB Framework in Decision and Order 31913, filed on February 14, 2013, in Docket No. 2013-0156, and Decision and Order No. 32241, filed on August 4, 2014, in Docket No. 2013-0381.

V.

WHEREFORE, Petitioners request that the Commission issue a declaratory order⁴ stating, in the public interest, that:

- the 2013 Invitation for Waivered Projects remains open to allow further consideration of the Oahu Renewable Energy Park in accordance with the CB Framework;
- HECO must further consider the Oahu Renewable Energy Park for the
 2013 Invitation for Waivered Projects in good faith; and

Pursuant to HAR § 6-61-160, "[t]he [C]ommission may, on its own motion or upon request and without notice or hearing, issue a declaratory order to terminate a controversy or to remove uncertainty."

Pursuant to HRS § 269-6, the Commission has general supervision over all public utilities and can exercise all powers imposed on it or conferred on it by HRS Chapter 269, including the power to adopt rules and institute proceedings to enforce any rule or order (HRS § 269-15).

3. HECO, together with Petitioners, must meet with the Commission to report on the status of the foregoing once per calendar month following the Commission's order.

Petitioners also request such other and further relief as may be just and equitable in the premises.

DATED: Honolulu, Hawaii, December 22, 2014.

WILLIAM C. McCORRISTON

JESSE J. T. SMITH

Attorneys for PSP III, LLC, INVESTRICITY, LTD., and WEST WIND WORKS, LLC

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Hawaiian Electric Company

Attachment 3 Proposal for Renewable Energy Projects

Fill out this form completely, uting separate copies to describe each proposed project. Use separate sheets as necessary to provide the required information, referencing the numbered sections on this form. Indicate N/A if not applicable. Form should be returned to:

Energy Contract Origination Havairan Electric Company cbwaiver@heco.com

Oato (of Propose	March 22, 2013
Sad	n I Gener	nd Information
(Note	: Through	hout this form, "net" refers to "net TO THE UTILITY," unless otherwise indicated.)
1,1	Project N	iome
	* Oatsu P	"V One"
1,2		gy to be Employed
	Crystallin	e silicon photovoltaic modules
L3		de Energy Source
	Soar	
1.4	Specific 5	Site: Tax Map Key number, street address, and city (for determining transmission requirements and avoided costs).
		poses to build grid-cod solar PV projects on the following three sizes:
	_	
1	-	Acreago: 35 acres
		Proposed generation capacity; 9.36\(\text{NV}\)p
		Address and City: Hanelulu, Hawaii 06825
		Assistant 20 arrays
		Acreage: 20 acres Proposod generation capacity, 6.82M/Vp
		Address and Cay: Honobia, Hawaii 96821
		Acrenge: 60 acres
1		Proposed generation capacity: 10.05////p
		Address and City: Kahuku, Hawaii 96731
	PSP also	has identified two additional sites and proposes to expand the above portfolio of solar projects:
	1,	Ewa Feedlot (TMX: 9-1-031;001)
	,	o. Acreage: 93 acres
		b. Proposed generation capacity, 29.25AN//p

	c. Address and City: Kapoloj. Hawaii
	a. Acroage: 60 acres b. Proposed generation capacity; 5,171.07/p c. Address and City; Honolulu, Haveil 96925
l.5	ls a singlo-fine diagram available? (PLEASE SEE APPERDIX-B)
	X Yes (Picace stack.) No
1. 6	Net (IKW) Corresponding (to Hawailan Gross (IKW)
,	Winimum (normal operations)
	Minimum + (25% x (Norma) Top Load - Manimum)) (non-emergency)
	Minimum + [50% x (Hormal Top Load - Minimum)] (non-emergency)
	Minimum + [75% x (Normal Top Load - Minimum)] (non-emergency)
	Normal Top Load (non-emergency)
	Emergoncy NA NA
	(to Hawaiian Gross (IMV) Minimum (normal operations) Minimum - (25 % x (Normal Top Load - Minimum)) (non-emergency) Minimum - (75% x (Normal Top Load - Minimum)) (non-emergency) Minimum - (75% x (Normal Top Load - Minimum)) (non-emergency) Normal Top Load (non-emergency) Emergency
	Duration of Emergency Capability (e.g., 10% above Normal Top Load capability for 2 hours only in a 24-hour period) N/A
L7	Electrical Generators:
	a. Number of Generators (PV; Pone's and Invertors) Employed and Size (M/V). 276,450 modules (i) 300V/p, 25 Eaton inverters (1500 kVA), 3 Eaton inverters (1650 kVA), 5 GE Britishoe invertors (1000 kVA)
	b. Type of Generators (check one): Synchronous thduction Other (specify)
1.8	Commercial Operations Date (month 6 year). Attach a detailed schedulo to support the in-corvice date. January 2015
1.9	Estimated Plant Service Life 25 Years
L10	Power Purchase Agreement Duration Years (As a normal proctice, Power Purchase Agreement Duration should not exceed the Estimated Plant Service Life.)
L11	Proposed Interconnection Point (check one): YES Transmission (HECO system: 138 kV;) YES Subtransmission (HECO system: 46 kV;) Oistribution (Note: Distribution voltages vary depending on the location of the location of the location (Note: Distribution voltages vary depending on the location of the location of the location (Note: Distribution voltages vary depending on the location of the location of the location of the location (Note: Distribution voltages vary depending on the location of the location of the location of the location of the location (Note: Distribution voltages vary depending on the location of t

1.12	Describe Interconnection point, metering tocation, required modifications to HECO system to integrate proposed project Potential interconnection points have been illustrated in APPENDO-C. Final decision on interconnection points will be determined after the Interconnection Required Study (IRS)
1.13	is the proposed plant a Qualifying Facility under PURPA? (check one) Qualifying Facility (stlach evidence of QF certification) X Nonqualifying Facility Exempt Wholesale Generator (EWG)
L14	Name of Contact
	Contact tile and company name:
	Contact mailing address:
	telephane: for e-mail:
=	
1.15	Conflict of interest - list all principal parties and contractors and state any conflicts of interest they may have between this proposed project and any other afternative projects, either with a competitor or HECO. If there are no conflicts of interest, so indicate.
	Principal Parties: (a) Investricity Ltd., Contractors:
	There are no conficts of interest.
\$cct	on II Operational Information
11.1	Auxiliary Power Requirements for (Used to Identify Proposed Facility's Need for Utility Power During Operations and Shutdown)
	Start-up*
	Normal Operations (from generator)
	Normal Operating shutdown* 0 Forced Emergency shutdown* 0
	Maintenanco Outogo 0
	* ret from Hawaiian Eloctric system
11.2	Ramp rate Net (MW/minute) Gross (MW/minuto)
	Ramp Rate N/A N/A
11.3	Expected Performance for:
	Undervoltage ride through – Indicate the facility's terminal voltage lavels at the Point of interconnection or Generator Points of Interconnection, as applicable, and clapsed time at which the facility will disconnect from the Hawaiian Electric System, if any
	Underfrequency operation - Indicate the system frequency or frequencies at which the facility will disconnect from the Hawaiian
	Proble System if any
	Overvoltage ride-through - Indicate the factiny's terminal voltage levels at the Point of Interconnection or Generator Points of Interconnection, as applicable, and etapsed time at which the facility will disconnect from the Hawaiian Beatric System, if any
	Overfrequency operation – Indicate the system frequency or frequencies at which the facility will disconnect from the Harvailan Bectric System, if any

	Inordia Constant: indicate the Generator(s) inertia constant (H).
	Mybr - Indicate the facility's ability to deliver receive power to Hawaiian Electric.
	Power Voltage - Indicate the voltage and ability to regulate.
	Maintenance Outage Requirements - Specify partial and complete outage requirements in weeks for the number of years requir
	or the cyclo to repeat (For example, fast time lateryal of minor and major everhauls, and the duration of everhauls)
	Aftere a fuct source is required (e.g. biomacs), specify number of days of on-size fuel storage capability and design heat rate out for fuel-based Facilities only)
	io ner user rotalies uni)
	For all projects, provide an assessment at the available renewable resource and the projected production profile for the project, applicable. Also describe the methodology and in-house or consulting expertise used to arrive at the generation estimates.
	See scachod yield estimate report located in APPENDIX-D.
۱	For solar projects, please describe sources of insolation data. Provide any resource assessment studies prepared by independ
1	consultants. Please identify number of years of solar data and its accuracy. Provide a description and summary of all collected a data for the proposed site supporting the project's expected capacity factor and operations. Indicate where the data was collected
	how long data was collected, and its proximity to the proposed site.
۱	Metoo data was obtained from Barbens Point, HJ, NREL TMY3. The TMY data set is composed of 12 typical meteorological mod (January through December) that are concatenated essentially without modification to term a single year with a serially complete data record for primary measurements. For the Barbers Point NREL site, the base time period spans 1991-2005. Barbers Point
1	

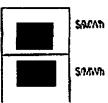
Socion III Pricing Terms

El.1 Energy Payment Rate for 20 Year PPA Term

Levelzed Energy Payment Rate (without Hawaii State Tax Crodits)

Lovelized Energy Payment Rate (villa Havasi

State Tax Credits)



Scenario-A: Pricing proposal for 26,24 MWp

Contract Year	Expected Annual Generation (MWh)	Energy Payment Rate Without Use of Hi State Tax Incontives (\$7MWh)	Energy Paymont Rate With Use of HI State Tax Incentives (S/NWh)
1	40,604		
2	40,401		
3	40,199		
4	39,998		
5	39,798		
6	39,599		
7	39,401		
8	39,204		
9	39,008		
10	38,813		
11	38,619		
12	38,426		
13	38,234		
14	38,043		
15	37,853		
16	37,663		
17	37,475		
18	37,288		
19	37,101		
20	36,916		

Note: State tax credit taken as cash grant of \$350,000 per MWp as an assumption

Contract Year	Expected Annual Generation (MWh)	Energy Payment Rate Without Use of Hi State Tax Incentives (SULWA)	Energy Payment Rate With Use of Hill State Tax Incentives (\$AWh)
1			
2			
3			
4			
2 3 4 5			
6			
7			
8			
9			
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11			
12	<u></u>		
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111.3	Escalation terms (specifically state what indices to use for escalation, if any)
• ,	
111,4	Provide pro forms income and each flow statements conforming to Generally Accepted Accounting Principles for the project for the term of the proposed Power Purchase Agreement (include revenue and cost data by major categories, debt service, depreciation expenses, and other relevant information).
	Sco: Attached Pro Formas
ED.5	Provide all other assumptions used to calculate the Energy Payment Rates set forth in III,1 and III.2.
m.6	Provide all assumptions used to calculate the Expected Annual Generation set forth in til.1 and til.2. Please include all supporting
	documentation used in calculations and specify any production and/or resource models used.
	Cost data is given in the proforms, recourse model used was standardized to Mictoenorm SYN File, working with PV Syst

Section IV. Background on Proposes

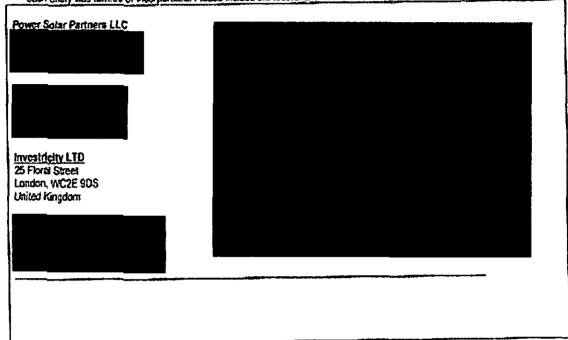
IV.1 Provide proposer's logal name, address, structure (e.g., sole ownership, corporation, joint venture, partnership, LLC, LLP, etc.), if proposer is a corporation or partnership, provide proof of business registration (from the Business Registration Division of the Department of Commerce and Consumer Affairs, State of Hawaii) if registered to do business in Hawaii, Include federal tax identification number.

Power	Golar Partners (PSP) LLC	
(Registr	ption is attached in APPENDIX-E)	
•	Members within Power Sobr Partners LLC are: Investricity Limited	
Principa APPEN	ll investor in the project is Astronergy (details in ATTACHMENT-J). Financial commitment letter has been BDX-J.1	n included in

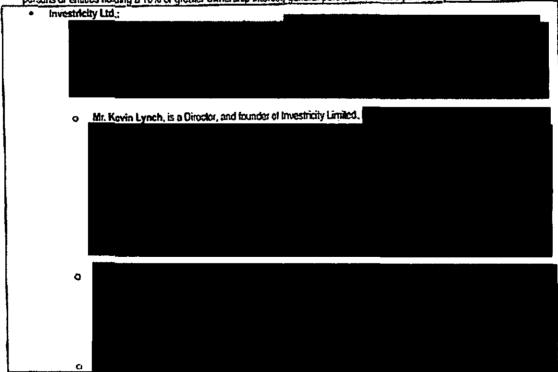
Provide nature of business and description, number of years in business, number of permanent employees.

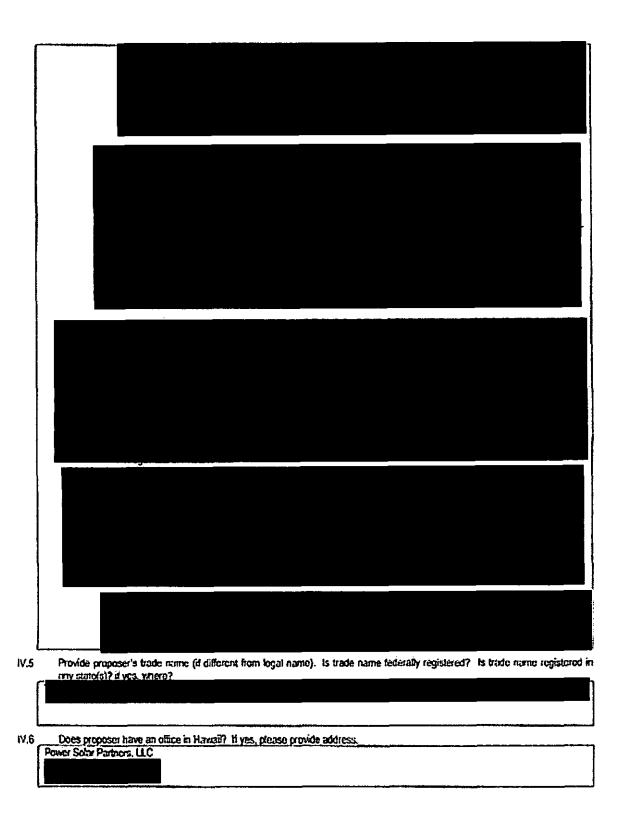
Investricity Limited, [25 Floral Street, Covent Garden, London WCZE 90S), (a private company registered in England and Wates, number 8324748, Directors: Kevin Lynch.

IV.3 Provide legal names of parent company and/or subsidiaries, organizational structure of each entity, and state or country in which each entity was formed or incorporated. Please include the federal tax identification number for each entity.



IV.4 Provide name, title, and background of officers, owners, or partners of each entity (including members of Board of Directors, persons or entities holding a 10% or greater ownership interest, general partner of a limited partnership, etc.).





5.c	Describe land and use rights for proposed project, such as tocation, ownership, current zoning, size, and cost of project site.
	General Response: According to the zoning of the property, a Type 8 Utility Installation is allowed with a Conditional Use Permit- Minor,
5.d	Provide status and copies of all land uso planning, permitting, and approvats required for the project. General Response: Agencies require an interconnection Requirement Study (IRS) determination letter issued from Havairan Electric Company prior to submitting permit applications. No permits have been submitted or approved for the project. Required permits are listed in section 5.b.
	Ewo Feedlot (TMK: 9-1-031:001): Response: Since the property is located in the coastal zone, a Shareline Certification may be required to determine the proximity of the project to the shareline. Additionally, the project would need to be consistent with the Hawaii Coastal Zone Management (CZM) Program Objectives and Policies per HRS Chapter 205A.
5.e	Describe and provide all licenses received or description of plans to obtain licenses
5 ,f	Describe and provide all approvals required for completion of the project.
5 .g	Describe projected emissions and waste streams, environmental impacts, including any studies or reports regarding the environmental impacts.
	[Environmental and Air Quality Assessment analysis has been furnished in APPENDIX-K and L]
5,h	Describe level of community support and provide the communications plan to gain public support for the proposed project.

- 1. U.S. Army Corps at Engineers
- 2. National Oceanic and Atmospheric Administration
- 3. U.S. Fish and Wildlife Service

State:

- 1. State Department of Land and Natural Resources
- 2. State Department of Hawaiian Home Lands
- 3. State Historic Preservation Division
- State Department of Health
- 5. State Office of Conservation and Coastal Lands
- 6. State Office of Hawaiian Affairs
- 7. State DOT Highways
- 8. State Department of Business, Economic Development and Tourism
- 9. Senator for the District
- 10. Representative for the District

City:

- 1. C&C Planning Department
- 2. C&C Department of Environmental Services
- 3. C&C Department of Design and Construction
- 4. Soard of Water Supply
- 5. County Councilmember for each district
- 6. Neighborhood Board for each district (Presentation required for permits)

Others:

- 1. Major tandowners in the district
- 2. Specific Community Groups in the district
- Interested parties

Consultation with community organizations and leaders will be critical at the orest of the project.

6. Project Flexibility and Vinhaty

6.a Describe ability to expand at the proposed site.

Expansion by additional 291(Wp:

- o PSP has identified a 93 acre property on the State of Hawai's 110.11 acre lot identified by TMX 9-1-031:001 and located at 91-319 Otal Stroct, Ewo, Hawaii 96700. It has subsequently signed a Letter of Intent with West Wind Works (WWW) to assist with the expansion of its solar PV portfolio on that property specifically toward the HECO Wower process. This size can accommodate a solar PV project with a potential capacity of approx. 29MVp. This is an extremely decirable site from a large gradied solar project site perspective. Among the more favorable orderia:
 - The land is designated as industrial use and thus the permitting process will be relatively shorter
 - There is existing 46KV line within less than a quarter mile from the project size.
 - The land is fairly flat making it ideal to maximize project size
 - The ratio of total usable acreage to available acreage is very high making this site optimal for a large project.
- o West Wind Works (WWW), along with its Outru Renewable Energy Park LLC and IEP-ORP LLC, received an award to develop quaffied renewable energy systems on the above site. They subsequently received approval from the DLNR and its board, to reduce its leasable area by subdividing the TMK into 2 parcels; 17-acres and 93-acres. WWW 8 IEP-ORP must submit their subdivision application on or before January 31, 2014. Prior to that date, WWW will assist PSP with an introduction to the DLNR so that PSP may explore this site, with the DLNR, as an expansion option.

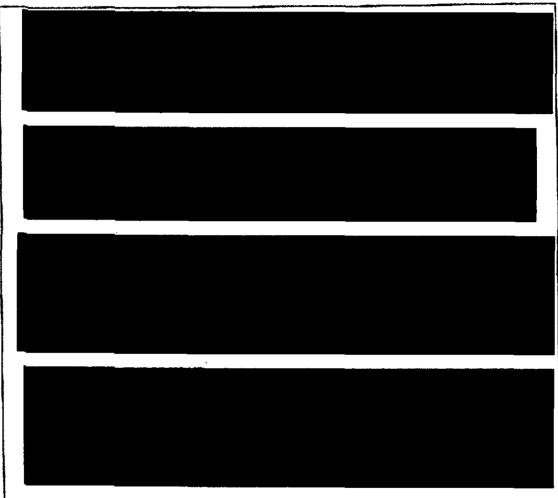
6.b	Provide location of known substation and transmission and distribution lines near the project location.
	APPENDIX-C (C.1 through C.5) Illustrates the location of known substations and T&D lines near the project locations
6.c	Identify provisions offered by the proposer for providing liquidated damages and payment for replacement power in the event of failure-to-perform by the proposer for proposers containing firm power deliveries.
	This clause does not apply because our proposal is for As-Available power.
6.d	
6.e	Provide project schedule with key milestones (include permitting, tand leace, major equipment purchase, etc).
	Please see detailed project plans in APPENDIX-H
6.f	Provide description of operation and maintenance (O&M) plan.
7	Project Financing
7.a	Provide proposed permanent financing approach (i.e., recourse debt, non recourse debt, common equity, preferred equity, etc.) and the extent to which financing will be provided by affiliated persons or entities.
7.b	Provide proposed financing approach and schedule for project development, major equipment purchase, and construction phases, if different than the permanent financing and the extent to which financing will be provided by affiliated persons or entities.

5_	Sre	Control,	Permits.	and	Anpro	n als

5.a Provide status and copies of agreements demonstrating all necessary land rights for the project (e.g., purchase agreements, leases,

eascments, rights-of-way, ctc.)
Site control documentation for the proposed sites have been provided in APPENDIX-G

5.b. List all major permits required, including environmental accessments or covironmental impact statements.

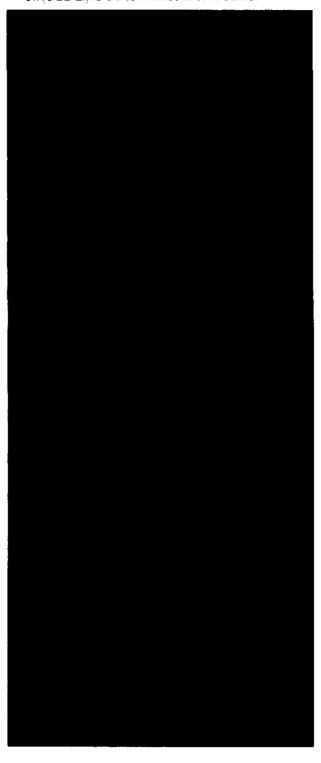


- Ewa Feedlot (TMK: 9-1-031:001)

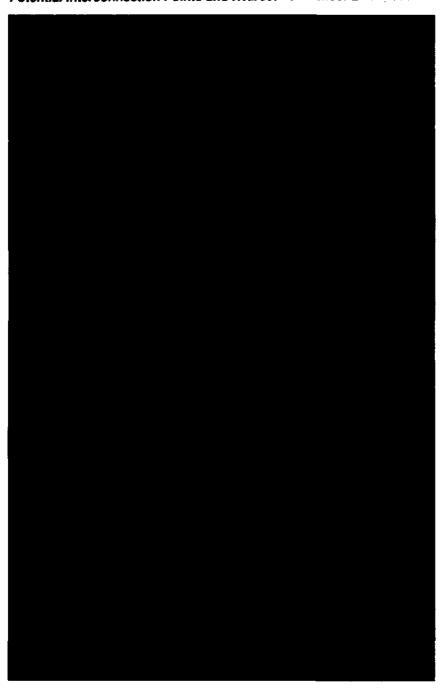
 - o State Land Use Designation- Urban
 o County Zoning- Industrial I-2 and Federal F-1
 - o Special Management Area- Yos p Flood Hazard- A/DIVE

 - Required Permits; The property is zoned industrial which requires a Conditional Use Permit (CUP) Minor for Type B Utility Installation. The property is within the Special Management Area (SMA) which requires an SMA Permit-Major, All SMA Permit-Major trigger the HRS Chapter 343 environmental review and require approved by the City Council.

APPENDIX - B.4
SINGLE LINE DIAGRAMS: EWA Feedlot



APPENDIX - C.4
Potential Interconnection Points and Nearest T&D Lines: EWA Feedlot Site



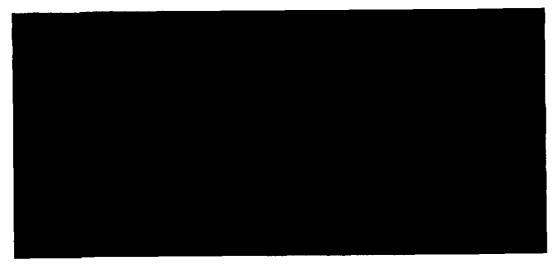
March 13, 2013



Re: Letter of Intent to Develop Land as a utility-scale Solar Project

Déar :

Power Solar Partners LLC ("PSP"), or its assigns, ("Developer"), is pleased to submit this proposal to West Wind Works LLC ("WWW" or "OptionHolder") to enter into an option agreement on terms more fully described in the term sheet (the "Term Sheet") attached hereto as Exhibit A. The principal terms of such proposal are addressed in this letter and Exhibit A (together, this "Proposal").



Binding Obligations

Notwithstanding the foregoing, the provisions of the numbered paragraphs 1-8 below shall be binding upon the parties upon execution of this letter. Further, paragraphs 5-6 below shall survive for the duration of the Exclusivity Period. For purposes of this Agreement and the Term Sheet attached, the Exclusivity Period (defined below) shall also be the Option Period.

1. Exclusivity. In consideration of the parties willingness to devote the substantial time, effort and resources required to conduct due diligence and to evaluate potential Definitive Agreements, the parties agree that until October 31, 2013 or such later date as shall be agreed between the parties hereto (the "Exclusivity")

LOI for Solar Development



Period" or the "Option Period"), neither party, nor any agent, consultant or representative of either party, shall, directly or indirectly, solicit or otherwise encourage the submission of proposals from any person or entity other than the other party, or initiate or participate in any discussions with any person or entity other than the other party concerning, or enter into any agreement with respect to, the Property (defined in Exhibit A), other than agreements entered into in the ordinary course of conducting day-to-day operations on the Property (excluding those that would prevent or materially hinder the development of the Project (defined in Exhibit A) or that would otherwise adversely affect the consummation of the transaction contemplated by this Proposal).

- 2. Parties. The Developer is a limited liability company organized under the laws of the State of Hawaii. The Landowner is the State of Hawaii Department od Land and Natural Resources. ("DLNR"). The OptionHolder is a limited liability company organized under the laws of the State of Hawaii. The Landowner currently owns the land and OptionHolder has represented that the two parties are entering into a Modified Development Agreement to develop the land as a power generation site. The OptionHolder will execute and/or assign to Developer the right to execute all relevant documents with the Landowner upon signing of a formal option agreement or a lease agreement of at least 25 years to allow for the PV system.
- 3. Size of Facility. The Developer should complete the RFP application and file at least a 10MW application under HECO's RFP waiver program due March 22nd, 2013.
- 4. Option Agreement. The payments made to the OptionHolder under during Option Period are option fees for exclusivity with respect to the Development including the right to file the RFP application within 60 days and begin direct negotiations with the DLNR to obtain its own Development Agreement on the Property.
- 5. Access to Information. During the Exclusivity Period, the parties shall cooperate and provide such information concerning this Proposal and the Property as the other party may reasonably request for the purposes of evaluating this Proposal. Landowner agrees to provide to Developer such information and documents as Developer may reasonably request in connection with the Property.
- 6. Confidentiality & Public Notices. Except as required by law, neither party shall discuss this Proposal, the terms of the transaction contemplated herein, any information given by either party to the other (whether prior to or after date of this Proposal) or any subsequent agreements or communications (including verbal or written) between the parties ("Confidential Information") publicly, including with any government or regulatory entities, without prior written consent of the other party. Confidential Information provided from one party to the other hereunder shall not be used for any purpose other than the purposes set forth herein. Confidential Information shall be held in strict confidence by the receiving party and shall not be disclosed without the prior written consent of the disclosing party, except to those employees, affiliates, attorneys and advisors with a need to know the Confidential Information for the purposes of performing work related to this Proposal. The receiving party shall require all such employees, affiliates, attorneys and advisors receiving the Confidential Information to observe the terms of this Proposal and to comply with the confidentiality obligations set out in this paragraph



- 5. The receiving party shall be responsible for any breach of such confidentiality obligations by its employees, affiliates, attorneys or advisors.
- Fees and Expenses. Each party shall be responsible for its own costs and expenses in connection with evaluating this Proposal, including attorneys' fees and due diligence costs.
- 8. Counterparts. This Proposal may be executed in multiple counterparts, each of which shall be deemed an original for all purposes and all of which when taken together shall constitute a single instrument.

If you wish to proceed with this Proposal as described herein, please countersign both this original and the enclosed duplicate of this Proposal and return two fully executed originals to our business address. We shall sign and return a fully executed original to you or your attorney. If not accepted by Landowner by Friday, March 22, 2013, this Proposal and any attachment, including Exhibit A, shall terminate. Upon Landowner's signature acceptance, Developer shall draft the Development Agreement, the Lease Agreement and other related documents that are consistent with this Proposal.

We look forward to working with you.

Sincerely,



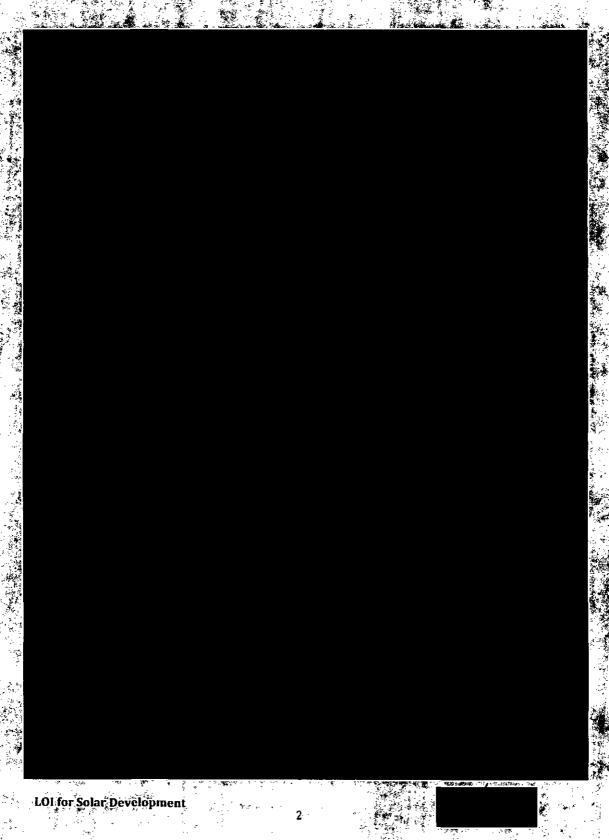
FOR THE LANDOWNER:

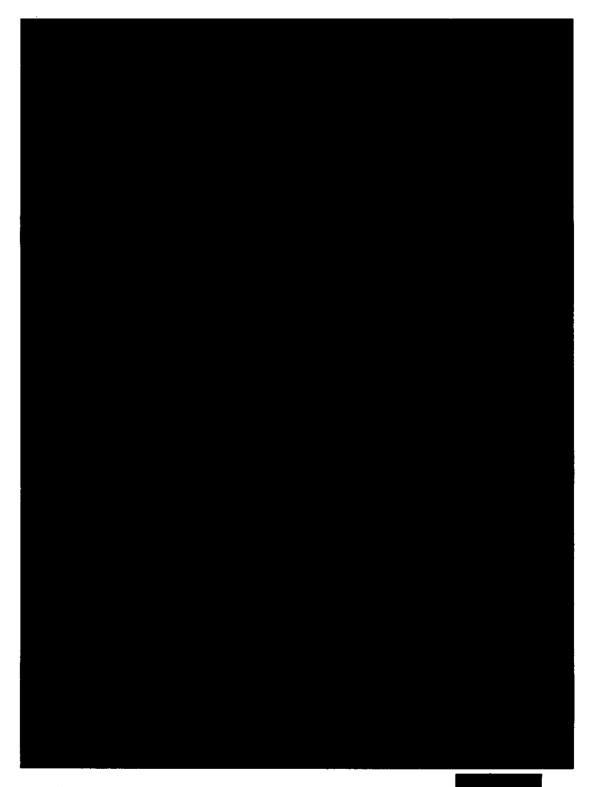
OptionHolder warrants that it has reviewed and approved this agreement and the attached Exhibits and further warrants that it has the legal authority to bind the Landowner such that the Landowner shall grant to the Developer the absolute right to proceed on the basis set forth therein:

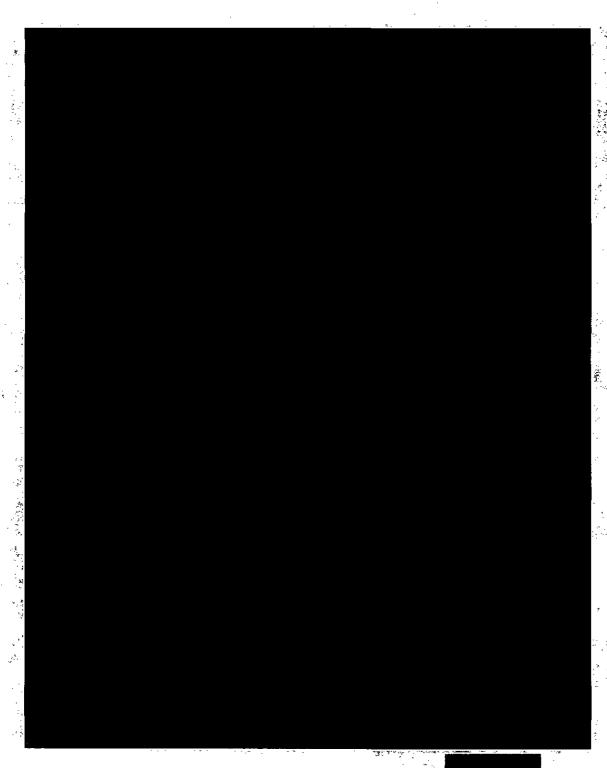
West Wind Works LLC











LOI for Solar Development

Highlights:

Disclosures

It is understood by all Parties that has been approved by the DLNR to complete a subdivision of the Property to remove 17 acres of the 110.11 acres, pursuant to the DLNR's Modified Development Agreement. Further, it is understood and agreed that the remaining 93.11 acres shall be the Property identified in this Agreement.

The required subdivision filing date is January 14, 2014.

EXHIBIT B

TMKs and Site Map

The State of Hawaii Department of Land and Natural Resources, Land Division 110.11 acre lot identified by TMK 9-1-031:001 and located at 91.319 Olai Street.

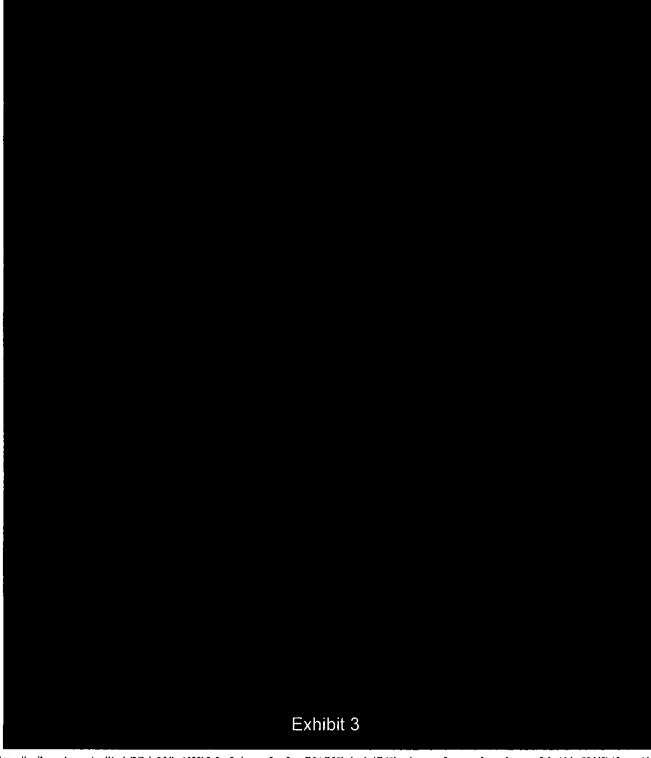
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Kevin Lynch <kevin.lynch@investricity.com>

RE: HECO Waiver response from Power Solar Partners: Transmittal# 5 -**Attachment-6**

1 message





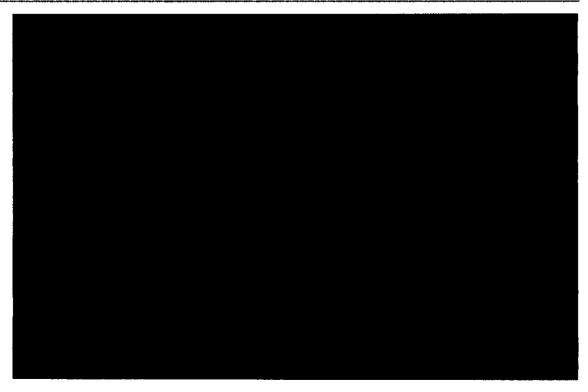
From: cbwaiver [mailto:cbwaiver@heco.com] Sent: Wednesday, March 27, 2013 5:21 PM

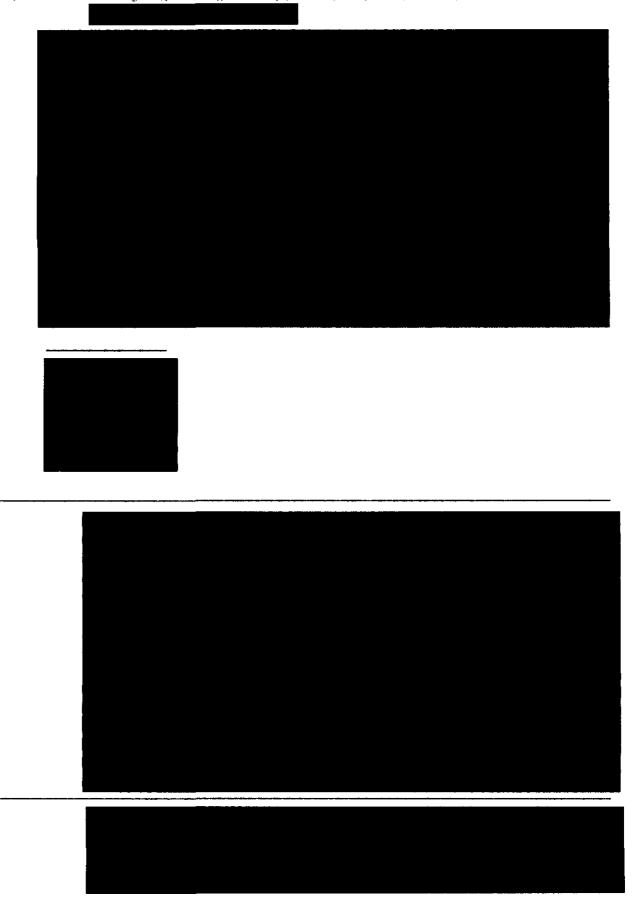
cbwaiver

Subject: RE: HECO Waiver response from Power Solar Partners: Transmittal# 5 - Attachment-6

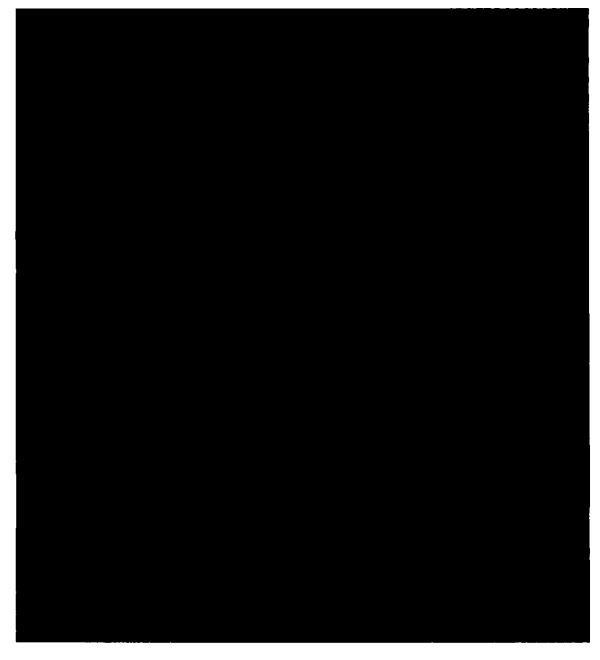
Dear

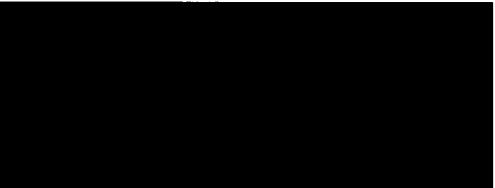
Aloha and thank you for your interest in HECO's Invitation for Waivered Projects. Unfortunately, your project has not been selected due to the fact that the pricing set forth in your proposal did not meet our pricing requirements. We do however, suggest you consider submitting your project into any of HECO's upcoming Request for Proposals that you deem appropriate. Again, thank you for your interest in the Waiver Invitation, and we look forward to hearing from you in the future.

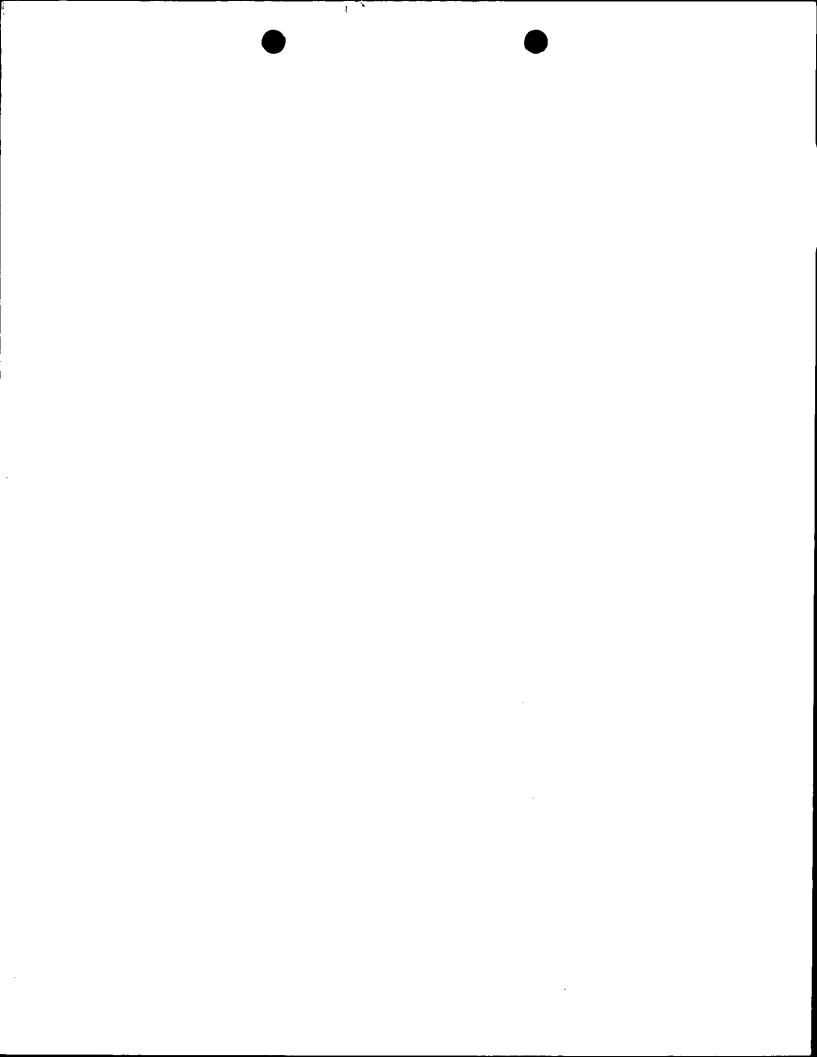




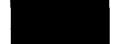
Dear Sir/Madam -











June 17, 2013



Re: Pricing Refresh- HECO Invitation for Low Cost Renewable Energy Projects on Oahu

Dear Power Solar Partners (PSP), LLC,

Thank you for submitting a proposal in response to Hawaiian Electric's Invitation for Low Cost Renewable Energy Projects on Oahu through Request for Waiver from Competitive Bidding announced on February 22, 2013 ("Invitation"). As a result of the Invitation, Hawaiian Electric is currently pursuing a request for a waiver from the Public Utility Commission's Competitive Bidding Framework¹ for several competitively priced projects. To realize lower cost energy for its customers on a "fast track" basis, Hawaiian Electric would like to offer an additional opportunity to the developers who were not selected in the initial process to submit revised energy pricing that improves their project's market competitiveness ("Pricing Refresh").²

As stated in the Invitation, Hawaiian Electric seeks to lower the cost of electricity for its customers in the near term with renewable energy projects that can be quickly placed into service. In pursuit of this goal, Hawaiian Electric is providing an opportunity through this Pricing Refresh to projects submitted in response to the Invitation, who have not been included in the current request for a waiver, to update the energy payment rates proposed in their proposals for consideration in a supplemental request for a waiver. As such, your proposal for Oahu PV One ("Project") is eligible to refresh the pricing component of the proposal initially submitted in response to the Invitation, subject to the revised pricing criteria set

¹ The Framework for Competitive Bidding, adopted by the Commission in Decision and Order No. 23121 ("D&O 23121"), issued December 8, 2006, in Docket No. 03-0372, is hereinafter referred to as the "Competitive Bidding Framework" or "Framework."

² The Invitation specifically seeks proposals for projects sited on the island of Oahu. No consideration is being given to proposals received for projects located on other islands.

forth below, and may be evaluated for consideration for inclusion in a request for a supplemental waiver request under the revised criteria below.

The updated energy pricing for the Project must be priced <u>below</u> 16.25 cents per kWh (levelized over a 20-year contract term, without the use of Hawaii state tax incentives)³. Please provide updated energy pricing for your project by completing the attached Excel spreadsheet. Your updated energy pricing should include pricing for both 20 and 25 year contract terms. The updated energy pricing for your Project will be compared against other updated energy pricing proposals received for Projects that meet the criteria set forth in this Pricing Refresh. Although Hawaiian Electric has not specified a total target capacity addition, developers should assume that not all projects will be selected for inclusion in a supplemental request for a waiver, and the primary criterion for the selection will be price. Please note that the attached Excel spreadsheet requires that a zero ("0") be entered in all cells shaded in red which do not have a numerical value.

This Pricing Refresh incorporates by reference all project requirements listed in the Invitation. All project requirements listed in the Invitation remain applicable as restated below:

- 1.) Proposed projects must be on Oahu and have a nameplate capacity greater than five megawatts from a new renewable source that qualifies under the Hawaii Renewable Portfolio Standards.
- 2.) The energy payment per kilowatt-hour must provide an attractive reduction in cost for Hawaiian Electric customers. Energy rates must be calculated with and without the use of Hawaii State tax incentives.
- 3.) The energy payment rate proposed shall assume a 20-year power purchase agreement (PPA) term. If a significant cost savings can be achieved by a PPA term of 25 years, a reduced energy payment rate reflecting the discount may also be included. If an energy payment rate for a 25-year PPA is included in a proposal, the pricing assumptions and project pro-forma should clearly identify any costs associated with extending the useful life of the project from 20 to 25 years.
- 4.) Developers must have experience in the development and execution of at least one electricity generation project similar in size to the project being proposed. Hawaiian Electric will consider a developer to have reasonably met this criterion if the developer can provide sufficient information to demonstrate that members of the project team being identified to meet this criterion has a firm commitment to provide services to the proposed project.
- 5.) Developers must be willing to provide Hawaiian Electric, the PUC and Consumer Advocate with complete access to all project financial information, including the project pro forma, prior to application for waiver.

³ Hawalian Electric calculates the levelized energy price based on Company's current discount rate over the contract term of the project.

- 6.) Developers must provide proof of site control for the 20- to 25-year duration of a PPA, plus preliminary archeological and environmental assessments and an associated permitting plan.
- 7.) Developers must submit evidence of plans for, or actual, community relations outreach in connection with the proposed project.
- 8.) Proposed projects must demonstrate that they can reasonably attain a commercial operation date no later than the end of 2015. Hawaiian Electric will assess when and to what extent the proposed projects can reasonably be expected to attain commercial operation before the end of 2015, taking into account factors such as the Guaranteed Commercial Operations Date to which the project developer commits, project feasibility, and the likelihood of timely project completion.
- 9.) Developers must accept all terms and conditions contained in the February 2013 Model Power Purchase Agreement for As-Available Energy, as revised on June 17, 2013 included as an attachment to this letter agreement without substantial modification.
- 10.) Developers must factor into their proposed pricing their own assumptions of interconnection costs and must assume any risk for higher actual costs.
- 11.) Proposed projects must comply with performance requirements included in Attachment 1 to the Invitation, with the possible exception of (1) Power Up and Down Ramp Rate Control and (2) Inertia Constant. If developer's proposed project is unable to meet the ramp rate control and/or the inertia constant performance requirements, the developer should specify the most conforming performance characteristics with respect to ramp rate control and/or inertia constant their project is capable of providing.
- 12.) Developers must be committed to meeting the scheduled milestones listed in Table 1 of the Invitation.

To the extent your proposal for your Project fulfills the above requirements and after further evaluation by Hawaiian Electric is selected to be included in a supplemental waiver application, Hawaiian Electric anticipates executing a power purchase agreement ("PPA") for your Project, in the form of the February 2013 Model Power Purchase Agreement for As-Available Energy, as revised on June 17, 2013 (the "Revised February 2013 Model PPA"), prior to completion of the interconnection requirements study ("IRS study"). For this reason, we have revised the February 2013 Model PPA included as Attachment 4 to the Invitation to include a new provision in Section 12.4 (Interconnection Requirements Study) which provides the Seller with a right to declare the PPA null and void after the IRS study has been completed and the interconnection cost estimates have been finalized. Additionally, several other provisions have been added to the Revised February 2013 Model PPA as set forth below:

A new provision in <u>Article 12.10</u> (Seller's Option to Extend Term for Banked Curtailed Energy) has been included to provide the Seller the opportunity to "bank" eligible curtailed energy to extend the term of the PPA by an equivalent amount.

Because the Hawaii tax treatment that will apply to renewable energy technologies on the commercial operations date is uncertain, the energy payment rates included in the PPA at the time of execution will assume that the Seller will not be eligible for any favorable Hawaii tax treatment for either its investment in the Project or for the energy produced by the facility. Upon commercial operations, the energy payment rates included in the PPA shall be adjusted to allow the Company to capture ninety percent of any Hawaii state tax incentive/credit applicable to the project. A new provision in Attachment_J (Energy Purchases by Company) has been added to the Revised February 2013 Model PPA for this purpose.

A new provision in <u>Article 12.5</u> (Prior to Effective Date) has been included to allow the Company to declare the PPA null and void prior to the effective date of the PPA under certain conditions related to significant delays and/or material changes in the Project prior to receipt of approval of the PPA by the PUC.

A new provision has been added in <u>Section 2(e)</u> (Curtailment Methodology) of <u>Attachment B</u> (Facility Owned by Seller) of the Revised February 2013 Model PPA, to clarify that to the extent a PPA shares the same curtailment priority date as one or more other PPAs, all PPAs with the same curtailment priority date shall be treated as a block having the same chronological seniority date for purposes of determining curtailment priority (as further described in the PPA).

Attached to this letter is a Microsoft Word version of the Revised February 2013 Model PPA. If your Project requires minor modifications to the Revised February 2013 Model PPA, please include a red-lined copy of the Revised February 2013 Model PPA identifying your proposed modifications with your response to this letter. Note that Hawaiian Electric intends to select projects with the lowest pricing and with minimal proposed modification to the Revised February 2013 Model PPA. In the spirit of reducing the cost of electricity for its customers in the near term with renewable energy projects that can be quickly placed into service, Hawaiian Electric expects that any negotiation of the Revised February 2013 Model PPA will be completed, and a PPA for a project will be executed, within six weeks after a waiver is received from the Public Utilities Commission ("PUC").

Should your Project be selected for inclusion in the supplemental waiver request, Hawaiian Electric would like to confirm that you are willing to proceed with your Project and enter into negotiations of definitive power purchase agreement with Hawaiian Electric based on the following conditions (reflecting the criteria set forth in the Invitation) which will form the basis of the waiver request:

1. The proposed energy payment rates for your Project set forth in the attached pricing tables are valid and will not be increased.

- You are willing to provide Hawaiian Electric, the PUC, and Consumer Advocate with complete access to all project financial information prior to Hawaiian Electric filing the application for waiver request for your Project.
- 3. Your Project, on Oahu, will attain a commercial operation date no later than the end of 2015.
- 4. You accept the terms and conditions contained in the Revised February 2013 Model PPA (included as an attachment to this letter) without substantial modification (provided, however, that the technical attachments of the PPA will be completed following the conclusion of the IRS study). For your information, no modification will be allowed on Article 8 ("Continuity of Service"), Article 9 ("Personnel and System Safety"), Article 20 ("Sale of Energy to Third Party"), and Section 29.15 ("Environmental Credits and RPS") of the Revised February 2013 Model PPA.
- 5. Your proposed energy payment rate includes your own assumptions of interconnection costs and you understand that you will be responsible for paying the actual cost of interconnection regardless of whether the actual costs are higher than the assumed or estimated interconnection costs (no adjustment to the energy payment rate will be permitted based on increased interconnection costs).
- 6. Your Project will comply with the performance requirements included in Attachment 1 to the Invitation and Attachment B (Facility Owned by Seller) of the Revised February 2013 Model PPA (as was referenced in the Invitation)⁴ and any modified or new performance requirements determined as part of the IRS study (and no adjustment to the energy payment rate will be permitted based on interconnection requirements).

Please note that Hawaiian Electric seeks an update to proposed energy pricing only, and will not consider proposals in the Pricing Refresh that differ materially from the Project originally submitted in response to the Invitation. If you wish to be considered for a waiver request, please update the proposed energy pricing for your Project under the terms of the Pricing Refresh described herein, confirm your agreement with the foregoing by counter-signing this letter and returning an electronic copy of the letter, as well as the Microsoft Excel pricing tables, site control documents if they were not provided in the Invitation, and to the extent applicable, the red-lined Microsoft Word version of the Revised February 2013 Model PPA, to Hawaiian Electric by 9:00 AM Hawaii Standard Time on July 1, 2013 via email to cbwaiver@heco.com. Late submissions will not be eligible for consideration in this process. Please also send a hard copy of this letter with the pricing tables, via US Mail to my attention at PO Box 2750, Honolulu, Hawaii 96840 by July 5, 2013.

Furthermore, as discussed in the Invitation, Hawaiian Electric reserves the right not to request a waiver on behalf of a developer for any reason. To the extent that the PUC grants a waiver from the Competitive Bidding Framework for a proposed project, such waiver does not guarantee that Hawaiian

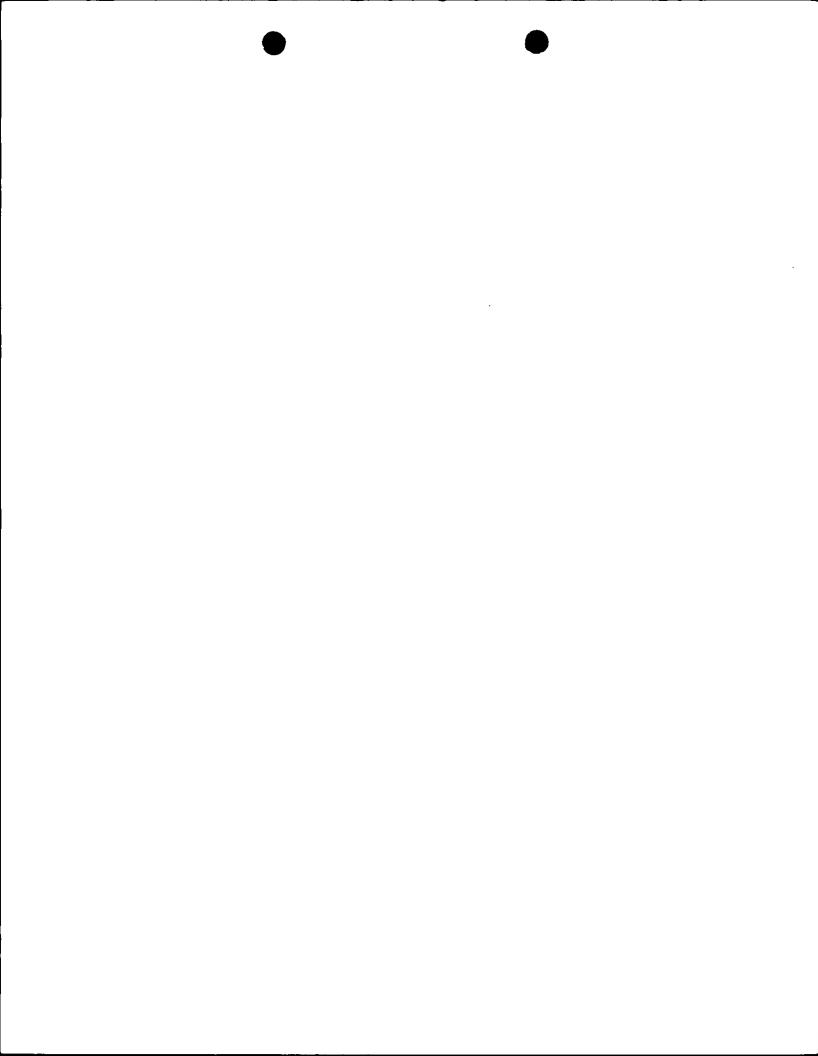
⁴ The results of the Interconnection Requirement Study will determine the ability of the Hawaiian Electric system to accommodate any exceptions or deviations from the performance requirements stated in Attachment 1 to the Invitation and Attachment B of the Revised February 2013 Model PPA.

Electric will enter into a PPA with the developer of the project. Execution of a PPA is contingent upon the PUC's approval of the waiver as well as successful negotiation of a PPA with Hawaiian Electric. Furthermore, any PPA executed by the parties will be subject to PUC review and approval, as provided in the Revised February 2013 Model PPA. Projects not selected for a waiver request, or denied a waiver by the PUC, may still bid without prejudice into any applicable future renewable energy procurement opportunities, subject to the terms and conditions to those procurements opportunities.

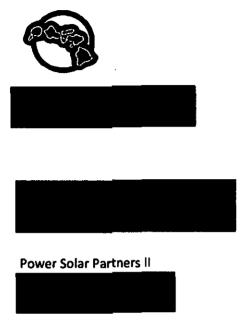
	Sincerely,	
- 0// 101// ED CED AND A CREED TO		
ACKNOWLEDGED AND AGREED TO:		
Ву:		
Name:		
Γitle:		
Date:		

Attachments (sent electronically):

- 1.) Refreshed Proposal Pricing Information (file name: Refresh_Pricing(insert_project_name).xlsx)
- 2.) Revised February 2013 Model PPA (file name: 2013 February Model Renewable As-Available Energy (revised June 17_2013).doc)
- 3.) Redline February 2013 Model PPA (file name: Redline Feb 2013 Model PPA with June 17, 2013 updates.doc)



July 3, 2013



Re: HECO Invitation for Low Cost Renewable Energy Projects on Oahu, Pricing Refresh



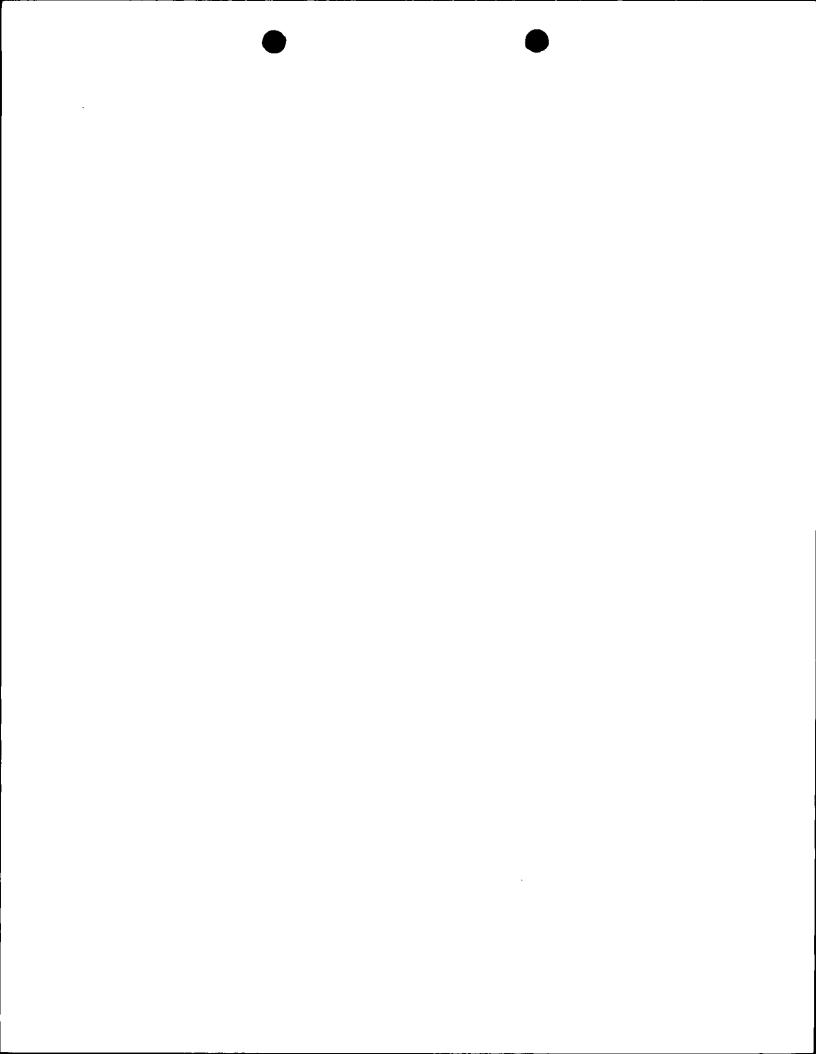
Thank you for your participation in the pricing refresh opportunity for the "Oahu PV One" project proposal submitted by Power Solar Partners, LLC ("PSP") to Hawaiian Electric on March 22, 2013 in response to the Invitation for Waiver Projects.



in order to consider the Oahu PV One project, Hawaiian Electric will require evidence that PSP has transferred and assigned the entire project proposal submitted on March 22, 2013 for Oahu PV One, along with all project development rights, including site control, to the bidder submitting the pricing refresh proposal. To be clear, Hawaiian Electric is not accepting new bids and will only consider one proposal for the Oahu PV One project to the extent either or PSP II can demonstrate that they have taken assignment from PSP of such Oahu PV One proposal and related project development rights, including site control.

Please provide evidence of such an assignment to Hawaiian Electric by 9:00 AM Hawaii Standard Time on July 9, 2013 via email to cbwaiver@heco.com. Please also send a hard copy of this letter with the accompanying documentation, via US Mail to my attention at PO Box 2750, Honolulu, Hawaii 96840 by July 15, 2013. Failure to provide evidence of such an assignment, satisfactory to Hawaiian Electric, in its sole discretion, by the deadline will result in both proposals being excluded from further consideration in the waiver request process.







Date: July 8th. 2013

cbwaiver@heco.com
Subject : HECO Invitation for Low Cost Renewable Energy Projects on Oahu, Pricing Refresh
Dear III
This responds to Hawaiian Electric Company, Inc's letter dated July 3 rd ,2013, regarding the refreshed pricing proposals submitted by Power Solar Partners II, LLC ("PSP II") and respect to the "Oahau PV One" project proposal submitted by Power Solar Partners, LLC ("PSP") on March 22, 2013.
Since submitting its project proposal, PSP has dissolved and assigned all of its rights, title and interest in the project proposal, along with all of the related project development rights, including site control, to PSP II and as set forth in the attached Assignment.
Site assigned to PSP II as Oahu PV Oneb is Ewa Feed Lot .
Copies of the Assignment Documents are enclosed.
PSP II therefore respectfully requests that HECO consider its refreshed pricing proposal with respect to Oahu PV Oneb, which is consistent in all material respects to the project proposal submitted by PSP on March 22, 2013, and for clarity now refers specifically only to the Oahu PV Oneb project at Ewa Feed Lot (TMK: 91031001:0000)

Yours sincerely

Kevin Lynch Managing Member Power Solar Partners II

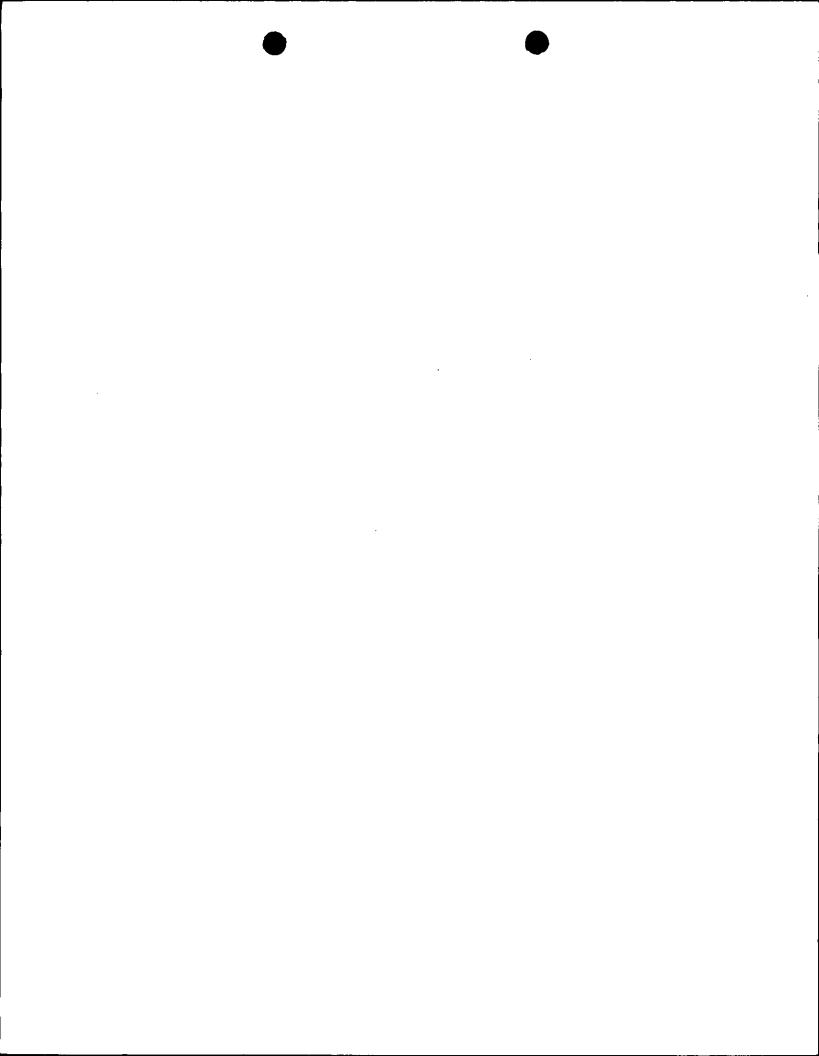


Exhibit "A"

Assignment

[Attached]

ACTION BY UNANIMOUS WRITTEN CONSENT OF THE MEMBERS IN LIEU OF A MEETING OF

POWER SOLAR PARTNERS LLC, a Hawai'i limited liability company

The undersigned, constituting all of the Members of POWER SOLAR PARTNERS LLC (the "Company"), and pursuant to the authority to so act without a meeting in accordance with section 428-404(d) of the Hawai'i Uniform Limited Liability Company Act and the Company's Operating Agreement, do hereby consent to the taking of the following actions and do hereby adopt, ratify and approve the following resolutions, and direct that a copy of these resolutions be placed in the Company's minute book. This written consent of the Members is in lieu of a meeting of the Members of the Company, and all the actions taken herein shall have the same force and effect as if they were taken and adopted at a duly called, noticed, and convened meeting of the Members of the Company.

WHEREAS, the Members of the Company have determined that it is in the best interests of the Company and its Members for the Company to assign to

POWER

SOLAR PARTNERS II, all of the Company's rights, title and interest in the project proposal submitted by the Company to Hawaiian Electric Company, Inc. on March 22, 2013, pursuant to that certain Assignment dated July 8, 2013, attached hereto as <a href="Exhibit "A":

NOW THEREFORE, BETT RESOLVED, that the foregoing assignment is hereby approved in all respects and that the Assignment is approved.

FURTHER RESOLVED, that any Member of the Company is hereby authorized to execute the Assignment on behalf of the Company.

FURTHER RESOLVED, that any Member of the Company be and each is hereby authorized and directed to certify to any proper persons a copy of these resolutions, and the specimen signatures of said Members designated below.

FURTHER RESOLVED, that this Action by Unanimous Written Consent of the Members in Lieu of a Meeting of Power Solar Partners LLC, a Hawai'i limited liability company, may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same agreement, binding on all of the parties hereto, notwithstanding all of the parties are not signatories to the original or same counterparts.

FURTHER RESOLVED, that facsimile signatures to this Action by Unanimous Written Consent of the Members in Lieu of a Meeting of Power Solar Partners LLC, a Hawai'i limited liability company, shall be deemed as original signatures.

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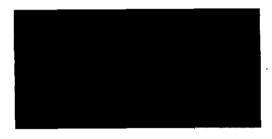
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WE.

FURTHER RESOLVED, that the Members of the Company are authorized and directed to do all such acts to facilitate the intent of the above resolutions.

This written consent of the Members shall be inserted in the minute book of the Company.

POWER SOLAR PARTNERS LLC, A Hawai'i limited liability company



By INVESTRICITY LTD.

Its Member

Name: Kevin Lynch

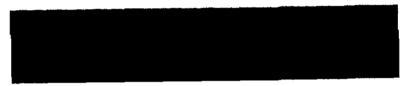
Title: DIRECTOR

ASSIGNMENT

This Assignment, duted as of July 8, 2012, is made by POWER SQLAR PARTNERS LLC, a Hawai'i limited liability company ("PSP"), as Assignor, in tayor of

and POWER SOLAR PARTNERS II ("PSP II"), as Assignees,

 Assignment. The Assignor hereby assigns all rights, title, and interest in the project proposal submitted by PSP to Hawaiian Electric Company, Inc. on March 22, 2013, in response to the locitation for Waiver Projects, attached hereto as Exhibit "A" ("Original Application"), as follows:



- The expansion site Ident'fied in the Original Application as the Ewa Feed Lot is assigned to PSP II, as Oahn PV Two
- 2 and PRP, ELC accept the foregoing assignment
- 3. PSP II accepts the foregoing assignment,
- 4. This Assignment may be executed in counterparts, each of which shall be deemed an original, and sold counterparts shall together constitute one and the same agreement, building on all of the parties hereto, notwithstanding all of the parties are not signatory to the original or same counterparts.
- 5. Tacsimile signatures to this Assignment shall be deeded as original signatures

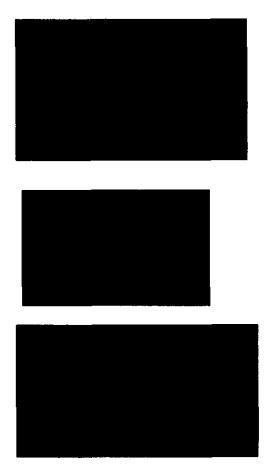
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The parties have executed this Assignment as of the date written above.



"Assignor"

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POWER SOLAR PARTNERS II

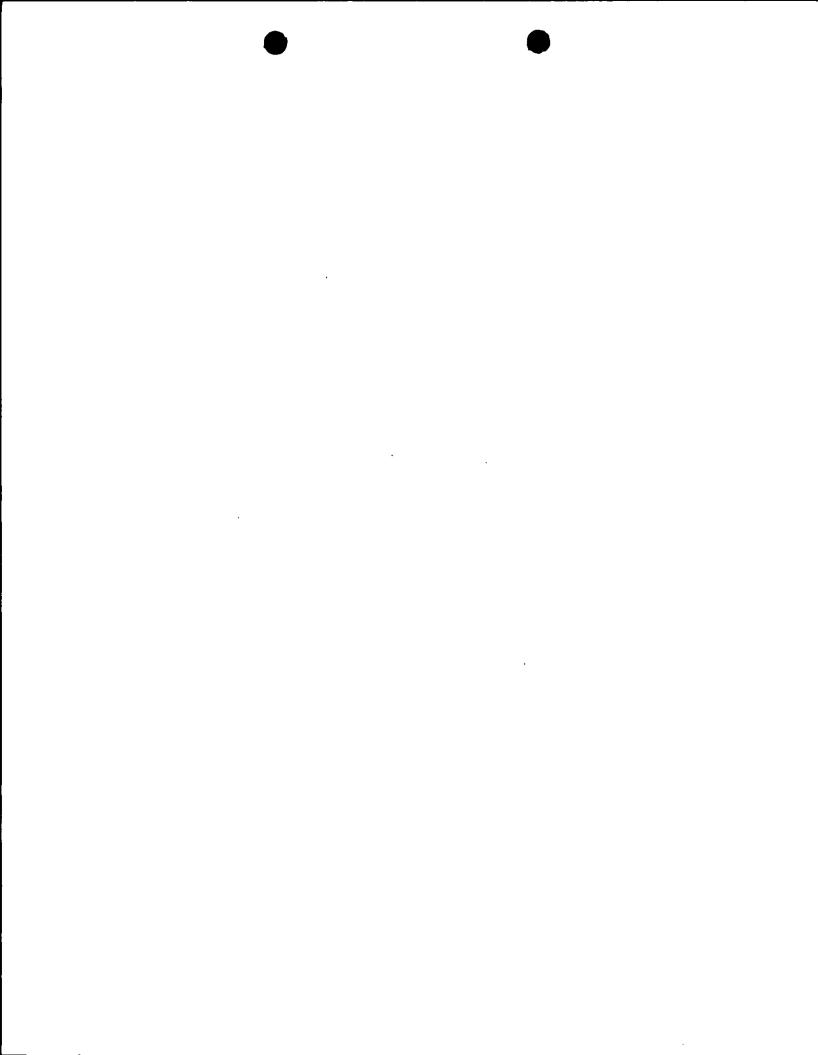
By / / C Name: Kevin'Eynch Fitle: Managing Member

"Assignees"



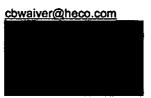
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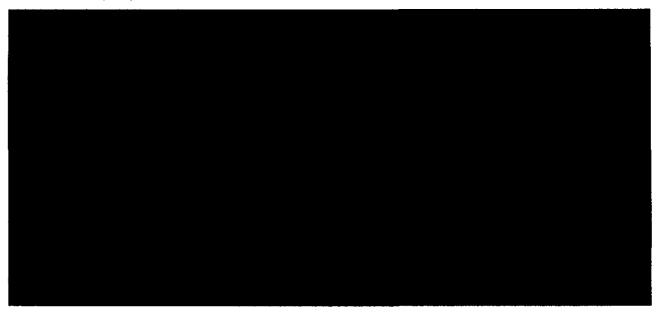
Date: June 30th, 2013



Subject: Power Solar Partners Pricing Refresh - HECO Invitation for Low Cost Renewable Energy Projects on Oahu

Dear

We were in receipt of your letter dated 17th. June 2013.



Enclosed with this letter are the following documents:

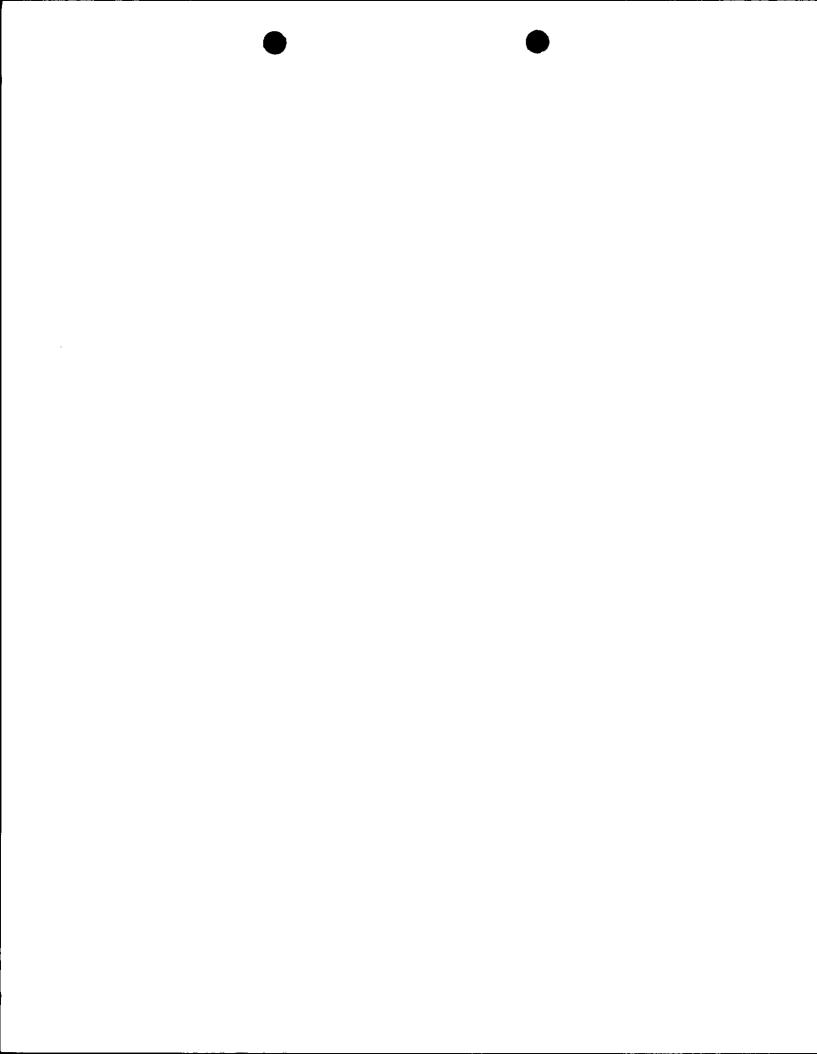
- Refresh pricing excel spreadsheet
 Signed copy of your letter dated 17th. June 2013
 A 'values' copy of our detailed model for the Hawaii refunded tax case

All existing documents presented to you in the earlier Invitation dated 22nd March 2013

Yours sincerely



Kevin Lynch Managing Member Power Solar Partners II





August 9, 2013



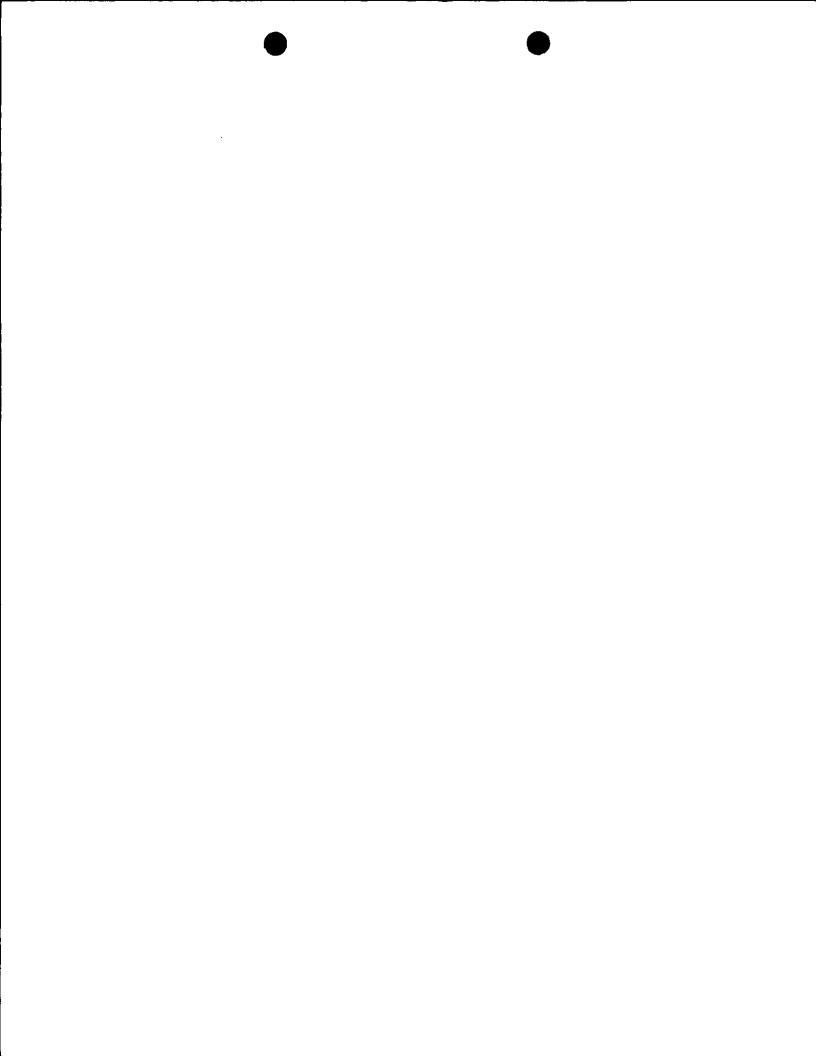
Re: HECO Invitation for Low Cost Renewable Energy Projects on Oahu: Pricing Refresh

Dear Mr. Lynch,

Hawaiian Electric has reviewed your updated proposal information for Oahu PV One received in response to our *Invitation for Low Cost Renewable Energy Projects on Oahu Through Request for Waiver from Competitive Bidding* and our subsequent request for updated pricing sent to you in the correspondence dated June 17, 2013 ("Pricing Refresh"). Unfortunately, your project has not been selected for a waiver request due to failure to satisfy the site control threshold requirement. We have chosen to pursue waivers from the Competitive Bidding Framework for projects that have complied with our site control requirements set forth in the invitation.

Thank you for your interest and please refer to Hawaiian Electric's website (<u>www.heco.com</u>), under the heading "Selling Power to Hawaiian Electric" for information on any future renewable energy procurement announcements.

Sincerely,





Kevin Lynch	.com>

RE: Meeting follow up

1 message

cbwaiver <cbwaiver@heco.com> To: Kevin Lynch

Tue, Nov 5, 2013 at 11:34 PM

Kevin,

Sorry for this short response but upon additional review, Hawaiian Electric has determined that its decision to disqualify your project from the Refresh Opportunity was sound and justified, based in part on the following reasons:

- 1. All projects in the refresh proposal had to maintain the original size and scope proposed and could not increase, reduce, or change the size or nature of the project. The revised proposal received by your group was reduced in size and scope.
- 2. The project did not have site control. See attached meeting minutes. Projects proposed in the refresh walver should not be used to justify site control. The project should have had site control from the onset of the proposal.
- 3. The entity that held the lease for the site was not listed as a partner in your organization.

Please note, that this decision is final, and no further requests to reconsideration of this matter will be entertained.

Hawaiian Electric

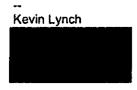




Exhibit 11

Kevin

Sent: Monday, November 04, 2013 6:53 AM Gents, we continue to work on the various development points for the former Ewa feedlot, and our board are as ever anxious that we have clarified for you the site control issue we discussed at your offices on 17th. October. I am expecting to meet-with DLNR on Friday to update them on our development plan - we would really appreciate if you can get back to us regarding the Waiver application, and to avoid all doubt we reaffirm our ability to meet the development and connection timelines as indicated in your initial request and pricing refresh request. Regards **Kevin Lynch** ----- Forwarded message -----From: Kevin Lynch Date: Fri, Oct 18, 2013 at 6:01 PM Subject: Meeting follow up many thanks for taking the time to meet with us yesterday afternoon. We found the meeting constructive and again apologies for focusing on some of the narrow process issues so hard. in any event we hope you now understand our position on this crucial issue of site control for the waiver program and based on that clarification are able to move us forward in a 'catch up' on this site. As we explained we have all of the factors ready to do that. If you want any further detail please contact us, also I will check in before I leave oahu today many thanks



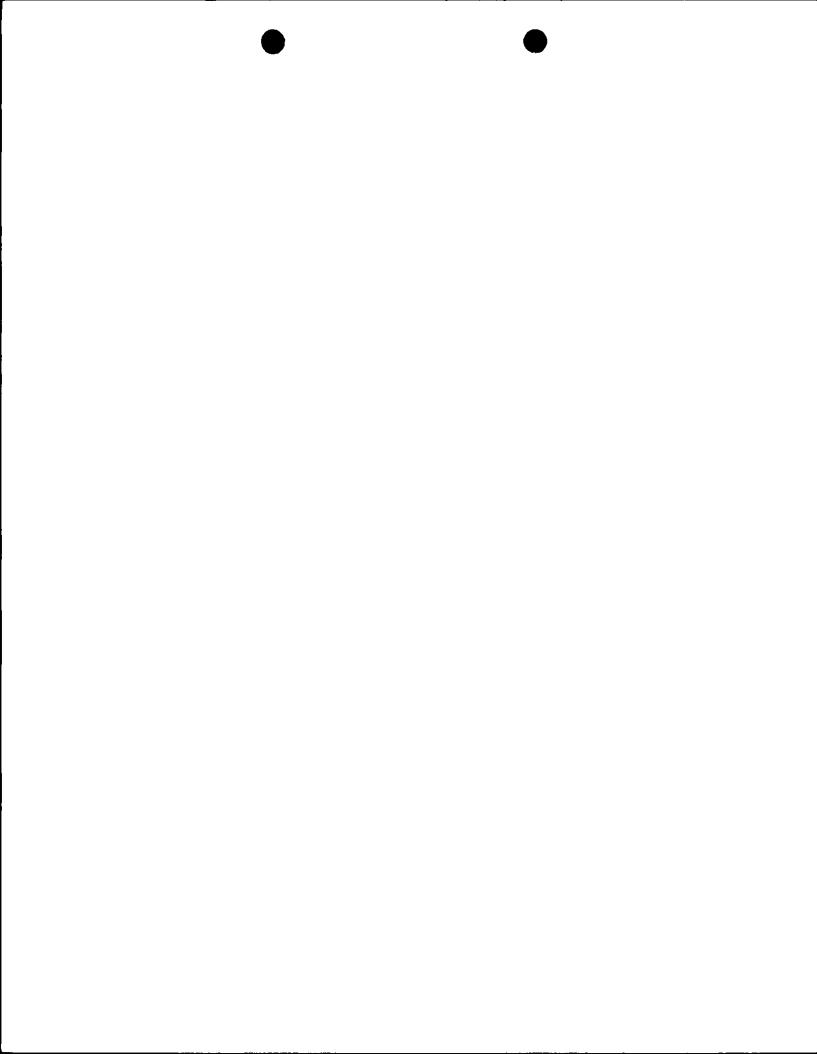
Kevin Lynch



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MINUTES FOR THE MEETING OF THE BOARD OF LAND OF NATURAL RESOURCES

DATE:

FRIDAY, MARCH 8, 2013

TIME:

9:00 A.M.

PLACE:

KALANIMOKU BUILDING

LAND BOARD CONFERENCE ROOM 132

1151 PUNCHBOWL STREET HONOLULU, HAWAII 96813

Chairperson William Aila called the meeting of the Board of Land and Natural Resources to order at 9:06 a.m. The following were in attendance:

MEMBERS

William Aila Jerry Edlao

Dr. Sam Gon John Morgan

STAFF

Russell Tsuji/LAND Kevin Moore/LAND Ed Underwood/DOBOR Juliet Kazanjian/FISCAL

Sam Lemmo/OCCL Roger Imoto/DOFAW Maria Carnavaele/DAR Alyson Yim/ENG

OTHER

Colin Lau, Deputy Attorney General

Ross Smith: M-1 Keith Avery: D-8 Stan Watanabe: K-2 Lea Hong: C-1

Michele McDonald: C-1
Kevin King: C-1
Xuan Huynh: C-1
Lori Buchanan: C-1
Ian Horswill: K-3
Mike Hahn: F-1
Gordon Walker: D-5

Patti Miyashiro: M-3
Bill McCorriston: D-8
Mark Roy: K-2
Greg Kamm: D-1
Janet Britt: C-1
Jesse Vega: C-1

Quynh Nguyen: C-1 Rick: C-1 Jim Mees: D-4 Victor Lozano: J-1 John Burns: F-2 {NOTE: Language for deletion is [bracketed], new/added is underlined.}

Item A-1 February 22, 2013 Minutes

Approved as submitted (Morgan, Gon)

Chair Aila made it known that items K-1 and M-2 will be withdrawn.

Item M-2 Issuance of a Revocable Permit to Paradigm Construction LLC at Kalaeloa Barbers Point Harbor, Oahu, Tax Map Key: (1) 9-1-014, portion of 026

Withdrawn

Item M-3 Acquisition of Private Lands and Set Aside to the County of Hawaii for Roadway Purposes, Hilo, Island of Hawaii, Tax Map Key: (3) 2-1-007:portions of 005 and 007

Patti Miyashiro representing Department of Transportation (DOT) – Harbors Division said she was here for any questions on item M-3 and there were none.

Unanimously approved as submitted (Edlao, Gon)

Item M-1 Issuance of Direct Lease to Aeko Kula, Inc. dba Aloha Air Cargo for Cargo/Maintenance Facilities and Issuance of a Right-of-Entry, for the Construction of Dust Control Fencing and Soils Remediation, at Honolulu International Airport, Tax Map Key: (1) 1-1-002:014 (portion)

Ross Smith, Department of Transportation (DOT) — Airports Division, Property Manager conveyed some background on item M-1 that there was some soil contamination and staff wants to grant the Lessee access to do the soil contamination treatment which would be quicker than the State.

Member Edlao asked about the time frame and Mr. Smith said about a year for the Right-of-Entry and will start construction for the facility right after that.

Unanimously approved as submitted (Morgan, Gon)

- Item D-8
 THIRD RESUBMITTAL: DEVELOPMENT AGREEMENT BETWEEN
 STATE OF HAWAII AND WEST WIND WORKS, LLC FOR THE
 FORMER EWA FEEDLOT SITE AT CAMPBELL INDUSTRIAL PARK,
 HONOULIULI, EWA, OAHU, HAWAII, TAX MAP KEY: (1) 9-1-031:001:
 - (1) Status of outstanding delinquencies and rejection of proposed amendments to the Development Agreement between the State of Hawaii and West

Wind Works, LLC, for the former Ewa Feedlot site at Campbell Industrial Park, Honouliuli, Ewa, Oahu, Hawaii, Tax Map Key: (1) 9-1-031:001

- (2) (a) Termination of the Development Agreement between the State of Hawaii and West Wind Works, LLC, for the former Ewa Feedlot site at Campbell Industrial Park, Honouliuli, Ewa, Oahu, Hawaii, Tax Map Key: (1) 9-1-031:001; or
 - (b) Approval of the modification and assignment of the Development Agreement for a portion of the former Ewa Feedlot site at Campbell Industrial Park, Honouliuli, Ewa, Oahu, Hawaii, Tax Map Key: (1) 9-1-031:Portion 001

Russell Tsuji representing Land Division related some background on item D-8 that staff has been before the Board for some delinquencies. Staff deferred for 60 days where the applicant made a proposal to down size to 15 to 17 acres and asked for more time to do some due diligence and staff conditions before were payments would be due on certain trigger dates and pay back \$500,000 or so owed would be paid on the trigger dates in installments. Many of the trigger dates are contingent upon the event occurring or the payment is not due. Staff recommended not changing those proposals on the payments, but to require a performance bond. The applicant's counsel is okay with the terms.

Bill McCorriston, counsel for the applicant testified confirming what Mr. Tsuji presented and that the subdivision cost will be assumed by the applicant and they will fund and prepare the EA (environmental assessment). The applicant agreed with the performance bond. Mr. Tsuji noted that the performance bond will be upon execution of the document. Mr. McCorriston said they have the same equity partners as before and apologized that this is taking so long.

Keith Avery said he had nothing to add.

There were some Board discussions about the recommendations which the Chair read. Mr. McCorriston asked for the performance bond or equivalent. Member Gon pointed out which is option B.

Unanimously approved as submitted (Morgan, Edlao)

Item K-1 Conservation District Enforcement OA-13-11 Regarding the Placement of Rocks in the Shoreline Area by Geraldine Sim Trust, Located at Kāne'ohe, Island Of O'ahu, Tax Map Key: (1) 4-8-003:048

Sam Lemmo representing Office of Conservation and Coastal Lands (OCCL) said there is a recommendation for some fines for removal of a structure and they complied. He recommends not to imposing a fine on them and wanted the case dismissed.

Deputy Attorney General (AG) Colin Lau said to substantively address it indicating that the recommendation has changed as discussed where the Board said they will.

Mr. Lemmo related some background on item K-1 that originally staff requested a fine and removal of the structure where recently there was evidence that the structure was removed, the shoreline was cleaned up. He talked to them about this and there are some interesting mitigating circumstances in this case where he doesn't want to fine them. He sought the Board's support to eliminate the fine and dismiss the case.

Chair Aila asked that he suggests the recommendation be changed to dismiss the fines and Mr. Lemmo acknowledged that.

Member Morgan approved staff's amended recommendation to dismiss this case. Member Gon seconded it. All voted in favor.

Unanimously approved as amended (Morgan, Gon)

The Board amended staff's recommendation to dismiss this case.

Item K-2 Conservation District Use Application (CDUA) MA-3648 for a Temporary Lay-Down Area for the Kahekili Highway Repair Project, County of Maui Department of Public Works, Located at Wailuku, Island of Maui, Tax Map Key (2) 3-1-002:016

Mr. Lemmo conveyed some background on item K-2 which is the repair of a road in a remote area where the applicant wants to take an untouched area to use as a temporary lay down area for construction material for about 6 to 12 months. It may require some clearing and other work to stabilize the site. Once the roadwork is completed the applicant will remediate the site and return it to its natural state which staff approved with standard conditions.

Board member Edlao asked what the difference was between a lay down area and a right-ofentry (ROE). Mr. Lemmo explained that the lay down area is a construction staging area outside of the normal right-of-way for access or construction purposes. If it's State land you can get a ROE to use the area, but this is a conservation area.

Mark Roy representing the County of Maui introduced Annette Matsuda of the Department of Public Works and Stan Watanabe, civil engineer for the project. Mr. Roy thanked the Department and testified relating some details of the area which will be used for a temporary staging area for equipment. They discussed with staff about recommendation #5 where the permittee will provide documentation in the form of a deed instrument prior for approval of construction plans noting that the applicant can't comply because it is State owned land. Also, they will be processing an ROE permit to allow them to use that area.

Member Edlao had some concerns about safety regarding the roadway and asked if there are guardrails and lights at night. Mr. Roy said there are no guardrails and referred to the EA. Mr. Watanabe explained that project was not intended to put in lights in the area and they will put up temporary barricades with the blinking lights and appropriate signage.

Member Gon asked whether there was another phrase in regards to recommendation #5 that the applicant would suggest. Mr. Roy said they will stand on his earlier comments and for the Board

to take into consideration. Member Gon asked whether materials will be stored and Mr. Watanabe said it would be a place for the contractor to store his equipment and materials, but it's up to the contractor because of the remote area and the concern for things disappearing.

Member Gon asked whether there is a process replacement for recommendation #5. Mr. Lemmo said absolutely and it's called deletion.

Member Edlao asked whether the three years was sufficient time and Mr. Watanabe said they are looking at six months.

Unanimously approved as amended (Edlao, Gon)

The Board members amended staff's submittal by deleting recommendation #5. Otherwise, staff's submittal was approved as submitted.

Item D-1 Sale of Remnant to Eric Andrew Matyas, por. of Kalaheo Homesteads, 2nd Series, Koloa, Kauai, Tax Map Key: (4) 2-3-007:025.

Kevin Moore representing Land Division presented item D-1 and that someone was here for it.

Member Gon asked whether the representative was okay with staff's recommendations. Greg Kamm representing Eric Andrew Matyas acknowledged saying yes and he had nothing to add.

Unanimously approved as submitted (Edlao, Gon)

Item C-1 Review and Approval of Project Recommendations for Funding from the Fiscal Year 2013 Legacy Land Conservation Program (Land Conservation Fund).

Board member Morgan disclosed that he is on the Board for the Trust for Public Lands and Member Gon disclosed he sits on the steering committee of Ahahui Malama I Ka Lokahi, but won't stand to benefit in any substantial way and won't recuse.

Roger Imoto representing the Division of Forestry and Wildlife (DOFAW) briefed the Board on item C-1 with four projects which he named, the costs and asked the Board's approval.

Lea Hong representing the Trust for Public Lands testified that she stands on her written testimony in support.

Janet Britt representing Hawaiian Islands Land Trust testified that she stands on her written testimony in support.

Michele McDonald representing Vipassana Hawaii testified standing on her written testimony in support.

Jesse Vega representing Vipassana Hawaii testified standing on his written testimony in support.

Kevin King representing U.S. Department of Agriculture testified was here to answer any questions.

Quynh Nguyen representing Vipassana Hawaii testified in support.

Xuan Huynh representing Vipassana Hawaii testified in support.

Rick representing Ahahui Malama I Ka Lokahi testified that he had submitted written testimony in support.

Lori Buchanan, Vice-Chair of the Land Commission testified in support.

The Boards thanked them all for their hard work.

Unanimously approved as submitted (Morgan, Gon)

After-the-Fact Consent to Assign Grant of Easement No. S-4414, Rose Marie Kuntz, Donald Thomas Kuntz, Barbara Ann Kuntz, Donna Marie Kuntz, James Stephen Kuntz and Michael John Kuntz, Assignor, via Mesne Assignments, to John M. Mehan and Tina Mehan, Trustees of the John M. and Tina Mehan Revocable Living Trust, Assignee, and Amendment of Grant of Easement No. S-4414 to Allow the Easement to "Run With the Land" and be Assignable Without the Prior Written Consent of the Board of Land and Natural Resources, Waioli, Hanalei (Halelea), Kauai, Hawaii, Tax Map Key: (4) 5-5-006:020.

Mr. Moore asked the Board to approve all these assignments, after-the-fact, to allow the assignment instrument to be modified for standard division uses so it doesn't require prior predecessors' interest for this easement signing off on the assignment instrument and that's because a lot of them cannot be found descended or are deceased. Staff will amend the easement so that future assignments won't require Board approval and will just run with the land.

Jim Mees representing the applicants who presently own the land testified explaining that the applicants got the original owners' easement, but they didn't know consent had to be gotten where there were a number of transfers over the years. The applicants asked to convert this easement into perpetual and they will come back with another application. He related some history that this was originally government land and they should have some perpetual access to get to the road. They support staff's recommendation.

Unanimously approved as submitted (Gon, Morgan)

Item K-3 Conservation District Use Application (CDUA) MA-3633 for the Stable Road Beach Restoration Project by Stable Road Beach Restoration Foundation, Inc. Located at Spreckelsville, Wailuku, Island of Maui, Submerged Land Makai of Tax Map Key Nos.: (2) 3-8-002:71, 74, 77 & 78

Mr. Lemmo briefed the Board on item K-3 relating how the Waikiki Beach restoration was successful. This project demonstrates a different approach to beach restoration and nourishment. This is a beach restoration project that incorporates a groin fill proposal. We can do this because of what we've done in the past approving beach protection and laid out a plan to address sea walls that beach fill is acceptable. Slowing down the erosion rate by using beach fill and some type of coastal engineering project might be acceptable. Or relocation away from the shoreline is a possible option. He gave some history on the Stable Road Beach Foundation who is seven property owners and they proposed this solution to the erosion problem referring to some photos. The Foundation proposed a temporary system because they weren't sure how the environment would be affected and staff approved a small scale nourishment permit for them to install geotubes to do sand fill which was completed in June 2010. Mr. Lemmo described how they filled the groin fill with sand, but wasn't successful in reaching the target goal of 10,000 cubic yards of sand which was a concern to staff, but the Foundation convinced staff to give more time. The reason staff allowed the project to remain is the Foundation has done a tremendous job of doing the monitoring of the project performance on water quality and beach stability on the project site and adjacent to it. The monitoring will continue if there is a permanent project. There was erosion down drift from the project site, but they are seeing positive signs where the project site has a wide sandy beach. There is a huge seawall immediately down drift from the project site and there is no sand in front of that seawall most of the time and there are more seawalls down the coast. The temporary project was approved in and built in 2010 and has to be demolished in 2014 unless they get approval on the permanent project. They are here today asking the Board's permission to replace the temporary sandbag groins with permanent rock groins which will be roughly in the same place as the existing groins and will vary in length.

Mr. Lemmo described the size of these groins. The applicant laid out a general construction guideline and this application went under public scrutiny. They did an environmental assessment (EA) and staff received a lot of public comment on it. The major agencies didn't have a problem with it, but Division of Aquatic Resources (DAR) had a concern, but was resolved. One concern was they didn't want the applicant to use inland beach sand which they aren't. Another concern was the groins would cause erosion problems to up drift and down drift at the project site. What staff found was the groins fill with sand to a certain extent and the remaining sand moves around to other areas of the coast. It slows the lateral transport of sand and doesn't stop it. It goes over and spills over and seems to be working in that way which is a good thing. The Foundation spoke of continued monitoring and other comments. An EA was done, FONSI notice in January, public hearing in Wailuku, mostly in support, some nearby property owners with concerns, and applicant has done their due diligence. We can consider giving them a positive recommendation on this project. They did a professional job and done all in-house by them without consultants. We are one agency and they will still have to get a permit from the Army Corp of Engineers, water quality certification, and some other authorizations. He is comfortable in moving forward to show other agencies that they've got our authorization and to get others. Staff included a lot of conditions to protect the public and to protect us should something should go wrong. He thought about this a long time and even in a worst case scenario we have some rock groins at Spreckelsville without much sand...there are a lot of rock groins in the area and he thinks the sand favors settling in these areas. Mr. Lemmo sought the Board's approval on the application and would like the applicant come back with a new set of monitoring protocols once they get all the authorizations they need to put the groins in, but we should wait until all the agencies weigh in before we figure out what monitoring protocols some agencies might want to change. It's encouraging to see communities fixing their erosion problems by building beaches rather than sea walls.

Member Gon said that staff's conditions doesn't seem unreasonable to attempt to establish best management practices and are the kinds of things we need to be thinking about.

Member Morgan commented that the varying types of coastlines and the challenges with beach erosion it is wonderful that they've (the community) come together and it's heartening to see this and commend everybody involved.

Member Edlao said the applicants put in a lot of work, time and money and they deserve the opportunity to achieve this particular project.

Ian Horswill representing the Stable Road Beach Restoration Foundation testified thanking the Board and staff and he was here for any questions.

Member Gon asked whether he was okay with all of staff's recommendations and Mr. Horswill said they are that they tried to build in best management practices taking into account comments from the other agencies. Member Gon asked whether he already got approval for the temporary structures in place and have been appraised to make them permanent. Mr. Horswill confirmed that. The Department of Health, Water Branch helped them through the process and is very supportive of the project.

Unanimously approved as submitted (Edlao, Gon)

Item J-1 Cancellation of Revocable Permit No. BO-07-30 to Waianae Ice House Partnership, and Issuance of a New Revocable Permit and Immediate Right-of-Entry to Dolphin Excursions Hawaii, Inc. for a Portion of Land Located Within the Waianae Small Boat Harbor on the Island of Oahu, Tax Map Key: (1) 8-5-002:051 (portion)

Ed Underwood representing Division of Boating and Ocean Recreation (DOBOR) asked to cancel a revocable permit (RP) and re-issue it to the current tenant and related some background regarding item J-1 where it would be a seamless transition. The rent and everything stays the same.

Member Edlao asked whether there were any other businesses interested to provide the service. Mr. Underwood said they haven't had any interest. If they did it would be on a lease.

Victor Lozano, owner of Dolphin Excursions Hawaii, Inc. testified asking the Board to consider a long term lease since they are employing more staff and making more improvements, but that would go through the public bidding process. They are interested in the RP for now. Mr. Underwood said that's fine that they could do that. The RP is good for one year.

Unanimously approved as submitted (Morgan, Gon)

Item F-1

Request for Authorization and Approval to Issue a Papahanaumokuakea

Marine National Monument Special Ocean Use Permit to Yasuho Jimbo,
Tokyo Broadcasting System (TBS), for Access to State Waters to Conduct
Filming Activities

Maria Carnavaele representing Division of Aquatic Resources (DAR) conveyed some background on item F-1 where the permittee will film under water and above and asked for access to Nihoa and Moku Manamana, but the Monument Management Board (MMB) limited that access suggesting they use the cultural footage on file especially since this is a very sensitive area.

Mike Hahn representing TBS testified (translating for the director) asking in addition to filming from the boat and maybe from the plane, possibly get on the islands to capture the culture of the past Hawaiian like the heiau. Chair Aila said the recommendation is to use footage that has been shot before and asked whether he was okay with that. Ms. Hahn said making a program documentary they would rather shoot it ourselves to get there and not using the one shot. Some of the footage they might have to use the footage that already exists, but they hope in their view and their director's view the use of different angle.

Member Morgan said he understood what they want and asked whether they had seen the footage and Mr. Hahn said no and Member Morgan recommended that would be a worthwhile thing to do. Chair Aila said he understands that Fish and Wildlife Service is going to allow them to land, but restrict how far they are to go. Ms. Carnavaele said that the MMB decided that the applicant be pointed to using the existing footage which was collected last fall which was why this item brought to the Board last fall involved securing alternative transportation than what was initially requested. Member Gon asked whether they will be able to land, but just not for access to the area they requested. Ms. Carnavaele said not Nihoa and Moku Manamana and that was the MMB's endorsement that it wasn't an approval. Member Morgan said he wouldn't want to go against the MMB and the quicker to get them the footage to make them more comfortable that their end result is what they will want. Ms. Carnavaele agreed and she understood that the footage was provided last fall and were able to take a look at it apologizing if she misunderstood that. The existing footage was accepted and okay. The Chair suggested to follow-up with them on the footage.

Another gentleman (the director) spoke in Japanese. Mr. Hahn testified explaining that their point of view is to introduce the world heritage to the viewer and one they are not sure because they have not seen the existing footage, but it's not like they are introducing the existing film to people. It's more like build a story for that land and nature. Their vision is different than just showing what is over there. It is more like a story type of presentation. It's hard to say that they can't say they can't use the existing footage, but some part they might have to use it. It's more like from a different angle thing to complete the full story of it as a world heritage. Chair Aila pointed out as the Board member said we are not inclined to override the MMB's recommendation and we highly recommend you get the existing footage as soon as you can. At that point if it's not sufficient for your needs he would recommend you go back to the MMB understanding there is a small window of time in order to do this, but that would be the first step to take a look at the existing footage shot by Na'alehu's view point because as a cultural

practitioner he is going to capture the images that tell the story from a cultural practitioner's standpoint.

Mr. Hahn spoke to the director about this. Mr. Hahn asked if getting on land is one of the additions to the request, but if we cannot do it we can still do it from the boat as we requested and Ms. Carnavaele said absolutely.

Chair Aila suggested they go and get the footage. Member Edlao said he doesn't want to move ahead with this and then they come back and say then you guys start bucking heads and then what. You guys have to come back to us or the permits fall right there? Member Morgan said it is his understanding what the Chair said if they look at the footage and they don't think it's adequate for their purposes then they go back to the MMB.

Member Edlao said he would feel more comfortable if there was something in here that would make reference to that based on this approval an acceptance of the Board's recommendations of uses of films for sensitive areas something to that affect because he doesn't see that here. There seems to be some misunderstanding and confusion and he doesn't want the applicant to say yes and come to find out they cannot do that and that is not what they understood. He wants to make sure whatever the Board's recommendation is it is very clear to the applicant that you guys follow the Board's recommendation in terms of landing and filming which would be a good condition. Ms. Carnavaele agreed and she'll get the language from the Board secretary. Staff will tie this Board's decision to the MMB recommendation if it changes after. Member Edlao said right that he wants to make it clear.

Member Edlao made a motion to approve staff's submittal with the understanding that the applicant will abide by the Monument Management Board's recommendation(s) with regards to landing and filming from the boat in the water. Member Morgan seconded that. All voted in favor.

Unanimously approved as amended (Edlao, Morgan)

The Board amended staff's recommendations with the understanding that the applicant will abide by the Monument Management Board's recommendations on filming from the boat on the water. Otherwise, staff's submittal was approved.

Item F-2
Request for Authorization and Approval to Issue a Papahanaumokuakea
Marine National Monument Research Permit to John Burns, University of
Hawaii, Hawaii Institute of Marine Biology, for Access to State Waters to
Conduct Coral Disease Survey Reef Activities

Ms. Carnavaele related some background on item F-2 that John Burns was previously permitted to do this work which is critical base line observational data which is useful for comparisons to the Main Hawaiian Islands. It allows for identification of co-factors to support eco-systems and health.

John Burns representing the University of Hawaii, Hawaii Institute of Marine Biology testified he was here for any questions.

Unanimously approved as submitted (Gon, Morgan)

Item D-5 Issuance of Right-of-Entry Permit to University of Hawaii, Pacific Islands Ocean Observing System (Pacific OS), for Data Collection and Research Purposes at Waiohuli – Keokea Homesteads, Maui, Tax Map Key: (2) 3-9-012: Seaward of 002.

Mr. Moore briefed the Board on item D-5 which is to install a sensor submerged attached to the ocean floor and is about 2 feet long and 3-1/2 inches across. It will have a data cable attached and will run along the sea bed up to the shoreline through a seawall to the receiving equipment.

Gordon Walker described the location, the sensor, and what will be done which will be anchored down. Member Gon asked how far off shore and Mr. Walker said it will be about 60 to 70 feet off-shore to collect tidal and temperature data.

Member Morgan asked the purpose is for baseline monitoring. Mr. Walker confirmed that they aggregate data for the National Oceanic Systems.

Member Edlao asked whether the cable will impede fishermen. Mr. Walker said it will not.

Member Gon asked whether this is one of several and Mr. Walker confirmed it is where he named the locations. Member Gon asked if this is the first one which it is not per Mr. Walker there are others.

Unanimously approved as submitted (Edlao, Gon)

- Item C-2 Acceptance of a Hearing Master's Report, Withdrawal of Approximately 376 Acres from Sacred Falls State Park and Set Aside as the Kaluanui Natural Area Reserve, TMK: (1) 5-3-011:009 por, Oahu.
- Item C-3

 Request Approval for Selection of the Competitive Sealed Proposal Process and Authorize the Chairperson to Award, Execute, and Extend Contracts for Production and Airing of Watershed Initiative Public Service Announcements

Mr. Imoto presented item C-2 that staff sought acceptance of.

Member Morgan asked whether this was the mauka end and Mr. Imoto confirmed that. It is remote. There were some discussions about the area which is for conservation purposes.

Mr. Imoto said there were no changes to item C-3.

Unanimously approved as submitted (Morgan, Gon)

Item D-2 Consent to Extension of Lease Term, General Lease No. S-4023, T & Y, LLC, Lessee, Nawiliwili Harbor Lots, Lihue, Kauai, Tax Map Key: (4) 3-2-004:011.

- Item D-3

 Cancellation of Revocable Permit No. S-7339 and Request for Waiver of Level One (1) Hazardous Waste Evaluation Requirement, Issuance of New Revocable Permit to Mary Thronas, Trustee for Mary Thronas Trust for Pasture Purposes at por. of South Olohena, Kapaa, Kawaihau (Puna), Kauai, Tax Map Key: (4) 4-4-001:001.
- Sale of Remnants to Grant T. Hamachi, as Trustee of the Grant T. Hamachi Revocable Living Trust, dated November 19, 1999 and Toyoko Hamachi, as Trustee of the Toyoko Hamachi Revocable Living Trust, dated November 19, 1999; Withdrawal from Governor's Executive Order Nos. 1598 and 1423, Waimanalo, Koolaupoko, Oahu; Tax Map Key: (1) 4-1-025:036 portion and 052

Mr. Moore said he had no changes to items D-2, D-3 and D-7.

Unanimously approved as submitted (Gon, Edlao)

Item H-1 Approval to Proceed with the Financial Audit of the Department's Programs

Juliet Kazanjian, Fiscal Management Officer for Fiscal Division reported that we are audited on our financial statements because the Department receives Federal grants that are part of the requirement, but we would also like to have financial audits Department wide for interested parties on contracts for fiscal year ending June 2012 and to prepare a fiscal audit for fiscal year 2013 for an additional 12 month period upon the Board's agreement on special funds. Staff recommends the Board authorizes the Chairperson to proceed with the procurement to conduct audits of our Department.

Unanimously approved as submitted (Gon, Morgan)

- Item L-1 Appointment of Doug Beaton as Hamakua Soil and Water Conservation
 District Director
- Item L-2 Appointment of Peter Tausend, Ph.D. as West Kauai Soil and Water Conservation District Director

Alyson Yim representing Engineering Division conveyed items L-1 and L-2. They had no changes to them.

Member Gon asked who was the previous Hamakua Soil and Water Conservation District Director. Ms. Yim named who, but he has passed on.

Unanimously approved as submitted (Edlao, Morgan)

Adjourned

There being no further business, Chairperson William Aila adjourned the meeting at 10:26 a.m. Recording(s) of the meeting and all written testimonies submitted at the meeting are filed in the Chairperson's Office and are available for review. Certain items on the agenda were taken out of sequence to accommodate applicants or interested parties present.

Respectfully submitted,

Adaline Cummings Land Board Secretary

Approved for submittal:

William J. Aila, Jr.

Chairperson

Department of Land and Natural Resources

STATE OF HAWAI'I)
) ss
CITY AND COUNTY OF HONOLULU)

Keith Avery, being first duly sworn, deposes and says: That he is the West will of WEST WIND WORKS, LLC, a Petitioner in the above proceeding; that he makes this verification for and on behalf of WEST WIND WORKS, LLC, and is authorized to do so; that he has read the foregoing Petition, knows the contents thereof, and that the same are true of his own knowledge except as to matters stated on information and belief, and that as to those matters he believes them to be true.

Keith Avery

Subscribed and sworn to before me this 1944

Notary Publichristine I. Kempczenski

State of Hawai'i

My Commission expires ______

THE LAND THE

NOTARY PUBLIC CERTIFICATION
Christine I Kempczenski, First Circuit
Doc. Description: VVIII AND

No of Pages: ____ Date of Doc.

Notary Signature

Date



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Petition of) DOCKET NO
PSP III, LLC, INVESTRICITY LTD, and WEST WIND WORKS LLC,) CERTIFICATE OF SERVICE)
for a declaratory order requiring further consideration of the Oahu Renewal Energy Park in response to Invitation for Low Cost Renewable Energy Projects on Oahu Through Request for Waiver from Competitive Bidding.))))))))
)

CERTIFICATE OF SERVICE

I hereby certify that I have, on the date indicated below, served two copies of the foregoing petition, together with this Certificate of Service, by first-class mail, to the following and at the following addresses:

Department of Commerce and Consumer Affairs Division of Consumer Advocacy 335 Merchant Street, Room 326 Honolulu, Hawai'i 96813

Dean K. Matsuura Manager, Regulatory Affairs Hawaiian Electric Company, Inc. P.O. Box 2750 Honolulu, Hawai'i 96840-001

DATED: Honolulu, Hawaii, December 22, 2014.

WILLIAM C. McCORRISTON

JESSE J. T. SMITH

Attorneys for PSP III, LLC, INVESTRICITY, LTD., and WEST WIND WORKS, LLC